STATE OF CALIFORNIA

MEETING OF THE

CALIFORNIA INSPECTION & MAINTENANCE REVIEW COMMITTEE

Tuesday, November 22, 2005

California Air Resources Board

1001 I Street, Sierra Room

Sacramento, California

	MEMBERS PRESENT:
2	VICTOR WEISSER, Chairman
3	TYRONE BUCKLEY
4	DENNIS DECOTA
5	JOHN HISSERICH
6	GIDEON KRACOV
7	JUDITH LAMARE
8	ROGER NICKEY
9	JEFFREY WILLIAMS
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11	MEMBERS ABSENT:
12	PAUL ARNEY
13	CHUCK FRYXELL
14	BRUCE HOTCHKISS
15	ROBERT PEARMAN
16	ALSO PRESENT:
17	ROCKY CARLISLE, Executive Officer
18	JANET BAKER, Administrative Staff
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PROCEEDINGS

CHAIR WEISSER: Okay, ladies and gentlemen, I'd like to call to order the November 22nd, 2005 meeting of the Inspection and Maintenance Review Committee. As you can see, at the dais, we'll be introducing ourselves momentito. We do have a quorum. We are expecting Mr. DeCota to arrive in about an hour. Other members of the Committee have alerted us that they will be unable to attend today, and those include Mr. Fryxell, Mr. Hotchkiss, Mr. Pearman, and Mr. Arney, and they all have good excuses for their absence, and we hope to see them all at our next meeting. And while I'm on that subject, ladies and gentlemen, our next meeting is scheduled for December, but consistent with our past practice, I think we should forgo our December meeting and move to January. So I'm gonna ask for a motion for that to occur, and I want to thank Mr. Hisserich for making the motion and Ms. Lamare for seconding. Is there any discussion? Hearing none, all in favor.

ALL MEMBERS: Aye.

CHAIR WEISSER: Any opposed? None, the motion carries.

Our next meeting will be in January. Let's go around the table and introduce ourselves starting from the far right.

Appropriately seated is Gideon Kracov. Gideon?

1 MEMBER KRACOV: Did that sound political on that last 2 statement? My name is Gideon Kracov. I'm a public member 3 and I've told Vic I regret, but I have to leave at 2:15 4 today. 5 MEMBER LAMARE: Jude Lamare, Senate Rules Appointee. CHAIR WEISSER: I'm Vic Weisser, your Chair. 6 MEMBER HISSERICH: I'm John Hisserich, a public member. 8 MEMBER WILLIAMS: I'm Jeffrey Williams, a public member. 9 MEMBER BUCKLEY: Tyrone Buckley, a public member. 10 MEMBER NICKEY: Roger Nickey, industry member. 11 CHAIR WEISSER: Excellent. 12 - 000 -13 Ladies and gentlemen, I'd like you to move your attention 14 to the minutes of the meeting of October 26, 2005. 15 everyone had a chance to review those minutes? 16 COMPUTER: McLoughlin is now joining. 17 CHAIR WEISSER: Okay, we are being web cast, and we will have 18 phone connections. We will hear people coming on and off 19 during the day, so get used to that. 20 MEMBER HISSERICH: I move approval of the minutes of the meeting 21 of October 26th. 22 CHAIR WEISSER: Thank you, Mr. Hisserich. Is there a second? 23 MEMBER LAMARE: Second.

CHAIR WEISSER: Ms. Lamare seconds. Is there any discussion of

the minutes? Hearing none, all in favor of adoption,

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signify by saying aye.

ALL MEMBERS: Aye.

CHAIR WEISSER: Any opposed? Hearing none, the meeting minutes are approved unanimously. Ladies and gentlemen, before we move into the guts of the agenda, it just struck me that today is November 22nd, and for those folks that grew up when I grew up, November 22nd portends an evil day in American history: the day that President Kennedy was shot and killed in Dallas, and I'd like to take 10 or 15 seconds of silence to commemorate that event. Thank you very much.

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Rocky, we'll now move into your activity report.

MR. CARLISLE: Thank you, Mr. Chairman. Before we start, I'd like to also mention that the meeting's being web cast today. In addition, we have a teleconference going on, and for those that want to teleconference, they can call in on the number. It's 8-6-6 8-1-9 0-7-3-4, and then they have to enter the password of 9-1-2-7-7-4. And we actually have a presentation that's going to be made via that teleconference later on.

CHAIR WEISSER: Rocky, could you repeat those numbers?

MR. CARLISLE: Telephone number is 8-6-6 8-1-9 0-7-3-4. The pass code is 9-1-2-7-7-4. Okay, onward and upward, then, with the activities this last month. You know, we've had Steve Gould participating in our activities now as our

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consultant, so we've actually been able to accomplish a lot One of the things we've been working on in the past was the state comparison, and it was suggested at the last meeting that we take and just pick out a few states that are closely compared to California. So we did so and we ended up selecting Texas, New York, North Carolina, Massachusetts, Georgia, Connecticut, and Ohio. And each one of these states - first of all, they exceed 1,000,000 vehicles for test and they're all decentralized programs. In reality, that's probably where the comparison ends. This is kind of an overview of some of the differences. For example, the model years tested. You have Connecticut testing 25 years and newer. Georgia, on the other hand, is testing 1981 to 2002, and I'm not going to take the time to read them all, but you can see there from that spreadsheet the various data. You also have the vehicles subject to testing anywhere from 1,000,000 to 13,000,000 in the state of Texas. Test frequency was kind of interesting. If you notice, there's three states that are bi-annual and four states that are annual, and that kind of indicates to me that annual testing is not an impossibility. We'll see, I quess, for California.

CHAIR WEISSER: Rocky, is that annual testing for all model years that fall within the testing period, the eligible testing period?

MR. CARLISLE: Correct.

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CHAIR WEISSER: Thank you.

MR. CARLISLE: In addition, you have states that are doing OBD II testing, 1996 and newer. They're doing OBD only. you notice, out of the seven, there's only one, that's New York, that's not doing exclusively OBD II on 1996 and newer vehicles. The question also came up about safety inspections, and once again, we have four states doing safety inspections and three states doing no safety inspections. The average inspection cost varies from a low of about \$19.50 to, what, \$37 in New York. And I should point out, this is the New York City area. This doesn't include upstate New York. Upstate New York is a little bit different. We also have the average repair cost. In some states that date is not available, but others it was. for example, Connecticut, the average repair cost for those being tested is \$450. Georgia's \$425. Ohio, it's \$400. And then, of course, in Texas, it's \$480, and that includes their assistance program, their Repair Assistance Program. The other issue that's come up lately was the repair cost limit. You can see here in Connecticut it's \$660, as opposed to Georgia's \$689. Some fairly high cost repair limits, but then you have Massachusetts. It's a little bit lower and it's also - It's also -

CHAIR WEISSER: Excuse me, Rocky. Janet, is - could you go back

and check and see what - go on, Rocky.

2 | MEMBER NICKEY: I have a question.

MR. CARLISLE: Yes.

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4 MEMBER NICKEY: It doesn't indicate here what kind of tests. Are

5 | these ASM tests or statics?

MR. CARLISLE: On 96 and newer, it's OBD II only.

MEMBER NICKEY: I see that, but the rest of the states, it doesn't indicate what kind of test they're doing.

MR. CARLISLE: It's going to be ASM for the most part. I believe it was ASM.

CHAIR WEISSER: Thank you, Roger. We need to remember to identify ourselves before we speak, unless you're me and you talk all the time, so the transcriber gets a good chance of figuring out who's saying what.

MR. CARLISLE: Right. Another question was asked by Mr. Pearman at one meeting.

CHAIR WEISSER: She's checking. Janet's trying to fix the -

MR. CARLISLE: Mr. Pearman asked -

19 || CHAIR WEISSER: It's feedback?

MALE: It's trailing what we're saying.

MR. CARLISLE: Okay, it appears to be fixed. Mr. Pearman had asked the question some time ago, that if other states had a separate penalty above and beyond or separate from the DMV penalty for late registration or late Smog Check and indeed, some do. For example, Connecticut is \$20 penalty,

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Massachusetts ranges anywhere from \$50 to \$100, and you can see the highest is Texas at \$350. Now, most of these rely on enforcement, again, kind of like California. If you have no tags, they require law enforcement to actually write a citation and come up with the penalty. The sticker is actually on the windshield where those states have safety inspections, so that's where they get that extra penalty.

CHAIR WEISSER: So it's a "don't mess around with Texas" kind of thing?

MR. CARLISLE: Absolutely. It's pretty expensive. question was RSD, how many states use RSD. As you can see here, there's three states that are currently using RSD, not all the same. Connecticut - I'm going to go into these a little bit different, a little bit more in detail, but some of them use them for statistical purposes only, others use them for clean screen, and others use them for dirty screen. So as far as RSD, you can see it's used for program evaluation, and what they do is, one week out of the year, they capture data from 17,000 vehicles and they end up with about 10,000 that are subject to inspection to do their program evaluation on. In Georgia, it's a little bit different. They take off-cycle tests. They use 100 vehicles for off-cycle, and the way they select these: if it's gone through the RSD at least twice and it's failed it two times the standard, then they're selected.

CHAIR WEISSER: Excuse me, Rocky. You say it's off-cycle, but

Georgia has an annual program.

MR. CARLISLE: Correct.

|| CHAIR WEISSER: So they get them kind of mid-year?

|| MR. CARLISLE: Yes.

CHAIR WEISSER: Okay, thank you.

MR. CARLISLE: And then they bring these vehicles in for testing, and as you can see, 80 percent fail the tailpipe test. In contrast, zero percent fail the OBD II test.

Scary statistic. I don't have all the particulars on these tests, techniques, and the remote sensing results, so.

CHAIR WEISSER: I mean, as a layperson, does that mean that the OBD test is just not picking up these failures?

MR. CARLISLE: That's a possibility, yes. But again, I don't have all the data. This is just - we basically call these states to ask how they use remote sensing.

CHAIR WEISSER: Okay, thank you.

MR. CARLISLE: Uh-huh. New York simply for statistical purposes, and finally Texas. If you're a commuter going from a basic area to an enhanced area and you happen to fail the remote sensing, then they bring you in for a test.

As far as separate penalties, again, Connecticut is at \$20 and it's a new program, so they really didn't have any data to provide us. Massachusetts ranges anywhere from \$50 to

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\$100 and they use separate smog and safety stickers, and once again, it's enforced by the police department. New York, there's a \$75 fine if you fail to have the safety sticker on your windshield. North Carolina, a little bit different, \$250 fine if you're four months late. And then finally, Texas, again, is \$350, and this is the safety sticker that's issued as a part of the Smog Check program. If you don't have that displayed, it's a \$350 fine.

CHAIR WEISSER: Rocky, did you get information, or will you be covering information associated with the composition of the

safety programs that are linked with Smog Check?

MR. CARLISLE: I have some of that information, yes.

MEMBER HISSERICH: This is John Hisserich, if I may. Just, do you have any - could you find out how many of those fines are imposed? I mean, that \$350, that's pretty hefty fine, but do they have any record, I mean, like thousands of these that fall into that?

MR. CARLISLE: That I don't have the data on.

MEMBER HISSERICH: I'd be interested, if you get a chance to find out.

MR. CARLISLE: We can certainly follow up.

MEMBER HISSERICH: Okay.

MR. CARLISLE: Other activities: we completed the draft

24 | report of -

CHAIR WEISSER: Excuse me, Rocky, before you leave this.

MR. CARLISLE: Yes?

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CHAIR WEISSER: Because I find this to be fascinating. I'd like to return to the very first chart, the overview chart, and for folks that aren't here or don't have a web cast where they can see this stuff, let's just match California. The model years tested in California are -

MR. CARLISLE: 76 and newer.

CHAIR WEISSER: - 1976 through 1998.

9 MR. CARLISLE: No, it'd be 2000 now.

10 | CHAIR WEISSER: 2000.

11 MR. CARLISLE: 2006 model year is out.

12 CHAIR WEISSER: Oh, that's right.

13 | MR. CARLISLE: We have -

14 CHAIR WEISSER: And how many vehicles approximately would that

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MR. CARLISLE: The last figure was 23,000,000. There's indication that may be pushing upwards of 25,000,000. I don't have any data to support that yet. That's just some analysis that Steve's doing.

CHAIR WEISSER: Can you give - can you give the Committee your recollection of what the various safety inspection programs in the four states among these that have safety inspections, what they cover?

MR. CARLISLE: They covered brake inspection, tire inspection, windshield glass, and lighting, for the most part.

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   CHAIR WEISSER: Are they all similar or are they -
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   MR. CARLISLE:
                  They're similar, but there was some variance in
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        them as far as how in-depth the inspection was, because
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        some of these states, they don't charge a lot for the
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        inspection. Consequently, it'd be impractical - pull, you
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        know, the wheels off to check brakes and things like that.
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                   I'd like the details behind this, if you could
   CHAIR WEISSER:
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        send that to me and, in fact, to the other Committee
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        Members.
                  Whatever you have, that would be -
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   MR. CARLISLE: At the next break, I can provide them.
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   CHAIR WEISSER: Oh, really?
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   MR. CARLISLE: Or right after lunch, either one.
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   CHAIR WEISSER: Oh, okay, cool. One moment. Let me just finish
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        running through this. And California's comparable average
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        inspection cost would be?
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   MR. CARLISLE: It's about $48.75 as of the last report.
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   CHAIR WEISSER: And that's, of course, without a safety
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        inspection?
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   MR. CARLISLE:
                  That's without a safety inspection, that's
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        without the certificate, because these - in many cases,
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        these inspection costs also include the certificate.
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   CHAIR WEISSER: They do? And the average repair cost in
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        California?
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   MR. CARLISLE: I believe it's about $180, but I'll have to
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        verify that.
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1 CHAIR WEISSER: Why is that so far out of line with the average 2 repair costs in the other states? 3 MR. CARLISLE: Without doing some analysis, I don't know, but 4 fair question. 5 CHAIR WEISSER: Repair cost limits, California is? 6 MR. CARLISLE: \$450. 7 CHAIR WEISSER: So we're the same as New York, 50 percent below, 8 you know, about plus or minus Texas, and Georgia and 9 Connecticut, and we have no late fee, nor of course, do we 10 really use RSD at this point. Tyrone? 11 12

MEMBER BUCKLEY: Thank you, Chairman. I was wondering if you knew if any of these states had CAP programs?

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MR. CARLISLE: Consumer Assistance, yes. The state of Texas has some type of assistance program. I don't know the specifics of it. That's all?

CHAIR WEISSER: Any other questions from the Committee Members on this portion? Okay, we'll have public able to ask questions after Rocky finishes. I think this is marvelous data, and I want to compliment you and our consultant for the work you've done on this. What I'd like to see you do on this chart is add a California column, so the reader will have - it'd be easier for the reader to make comparisons between us and these other states that you've that you've selected. Thank you, Rocky. Please proceed.

MR. CARLISLE: You're welcome. So some of the other activities

we've been working on. We completed the draft report for the preconditioning survey, and we're gonna discuss that in detail a little bit later on. I also discussed the cut point report with Phil Heyriggs from Sierra Research.

There was a lot of question, a lot of concern, about that report, and I thought it would be good if we had the author of the report here to answer the questions. And he's agreeable to it, but he does have to get approval from the Bureau of Automotive Repair and of course, the Air Resources Board, so it's possible that we'll have him here in January. We also contacted seven consumer groups with regard to AB 386 to see exactly what their concerns are with that bill, discuss that with them. The enforcement monitor report -

CHAIR WEISSER: Excuse me, Rocky. The consumer groups are going to be coming later today to chat with us?

MR. CARLISLE: Yes.

CHAIR WEISSER: Thank you.

MR. CARLISLE: The enforcement monitor's report is out, and I did mail copies of that to each Committee Member. It is now posted on our website as well. I've also been researching -

CHAIR WEISSER: Excuse me, if I can interrupt you there. What happens now with the enforcement monitor report, Rocky? Do you know?

1 MR. CARLISLE: This is the initial report, and there's going to be a public hearing on December 7th. The final report is 2 3 not actually due until December of 2006. 4 CHAIR WEISSER: Where's that public hearing on the enforcement 5 monitor report going to be held on Pearl Harbor Day? 6 MR. CARLISLE: I have not been able to determine that yet. 7 CHAIR WEISSER: When you find that, Rocky, I think it would be a 8 good idea for you to get the word out as broadly as 9 possible. 10 MR. CARLISLE: Oh, I will, yes. 11 CHAIR WEISSER: I think this report is going to be generating a 12 lot of interest and I really want us to keep on top of the 13 nature of the comments that it catalyzes and I assume 14 you'll be attending the hearing, wherever it is held.

MR. CARLISLE: Yes.

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CHAIR WEISSER: Okay, thank you.

MR. CARLISLE: The other issue with regard to that. If you recall, in our 2004 report, we did allude to the fact that we wanted to do a topic on enforcement, but we deferred that until the enforcement monitor's report had been published, so that is now out there.

CHAIR WEISSER: So, probably a good idea to place that issue on the agenda in January for discussion and to ask the Bureau to provide us with a presentation on the report and a review of what occurs at the public hearing on it.

1 MR. CARLISLE: Okay. Another activity was researching sources 2 for grant money. Jude Lamare had suggested we do that. 3 is legal, according to our legal counsel, and so I've been 4 looking for those sources, and suffice it to say there's 5 billions of dollars out there. It's just whether they fit 6 into the parameters of this Committee, so I haven't found 7 anything specifically yet, but I'm still looking. 8 created a data and an information tracking database so that 9 when we have questions or requests for data for Air 10 Resources Board, for the Bureau of Automotive Repair, or 11 any other entity, that we can access it easier, so that's 12 going to simplify life a little bit. And I also purchased 13 maintenance and emission handbooks from the International 14 Registration Plan. That is also another issue, and they 15 just recently came out with these handbooks on the 16 Internet, so they're on order. I should have them in 17 another two weeks.

CHAIR WEISSER: Why should I care about that?

MR. CARLISLE: I'm going to explain that later on.

|| CHAIR WEISSER: Very good.

 \parallel MALE: Film at 11.

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MR. CARLISLE: Another thing that Steve and I were discussing,

and he actually started looking at the website at BAR to

track to see what was going on with the testing volume. So

you might ask what motivated our quick review, and it was

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simply testimony from a concerned industry, and I don't You know, their volume has been decreasing, so blame them. we were just curious if we could see on a snapshot view of, you know, what the impacts are. So what we reviewed was one month of testing over an eight-year period from 1998 to 2005. We picked the month of August. So a quick overview. If you look at 1998, that was the baseline. There was three quarters of a million test, in round numbers. 1999, there was a nine percent increase, and you can see how, as it goes down, you had a seven percent increase, a six percent. Then you run into a couple of decreases, another increase, and finally a big 14 percent decrease in 2005. Bottom line, you had an 8.14 percent gain from 1998 to 2005 in total tests. So we looked at some more information. Looked at station type, number of technicians, that kind of thing, and also tests per station, and if you notice, you had a growth also in total stations and even the tests per station. In spite of the growth, the tests per station actually increased from 1998 to 2005, once again. You also had an increase in the number of technicians, and off to the right, we show the techs per station averaged 1.4 up to 1.5 in 2005. But what was the reality for station type? I'll get to that in a So this shows the tests per station actually increased 2.99 percent. Technicians grew, the number of

technicians grew, by ten and a half percent. And the techs per station was increased by seven percent. So in 2005, this is what you end up with when you actually break it down by station type. In 1998, the regular test and repair station was testing about 98 tests per month, or performing 98 tests per month. Test only station was doing 344.

CHAIR WEISSER: Wow.

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MR. CARLISLE: And the other category was actually a combination of the Gold Shield, the GPC, the GSGR. Back in 98, you had this -

Rocky, back up. I know what a Gold Shield is. CHAIR WEISSER: MR. CARLISLE: Right, it was the Gold Shield, it was the Gross Polluter Certification station, it was the Gold Shield Dealer Station. There was all these subtypes that were created back then to accommodate the program, because the CAP program hadn't been completely formalized. So we just added those in the other category. It's a small number of stations, but nevertheless important. So you end up in 2005 now. Regular test and repair stations are doing about 64 tests per month, test only have dropped to 261 and others have dropped down to 74, and here is the reality. From 1998 to 2005, when you look at the regular stations, they've decreased their volume by 35 percent, test only by 25 percent, and other stations by about 26 percent. this is really more a function of the marketplace than

actually losing cars from the program, because you notice you have an increase, first of all, in overall stations and you had a huge increase from 1998 to 2005 in test-only stations. So they're essentially sharing the same number of tests among a few, you know, a smaller number of stations.

CHAIR WEISSER: Jude?

MEMBER LAMARE: Rocky, is the table reality in 2005 reflect first tests only?

MR. CARLISLE: It's first test only, yes.

MEMBER LAMARE: Thank you.

MR. CARLISLE: And I should mention too, it only covers enhanced and basic areas. It does not include the Change of Ownership program.

CHAIR WEISSER: Other questions from Committee Members? Okay,

I've got a couple. Can you go back to the first chart

again, Rocky? What happened, do you think, in 2002 and

2003 to change what had been a program modestly growing in

terms of the percentage, the number of first tests, to a

program that was slightly declining?

MR. CARLISLE: I should have looked that up. That might have been -

CHAIR WEISSER: Good job, Janet.

MR. CARLISLE: That was good. That might have been when additional cars came out of the program, but I'd really

have to go back and research that.

CHAIR WEISSER: And 2004, is that a ref

CHAIR WEISSER: And 2004, is that a reflection of the Bay Area coming in to-?

MR. CARLISLE: I believe it is, yes. Because they actually came in in the end of 2003. So since the - they actually came in after August in 2003, so they wouldn't have been reflected in -

CHAIR WEISSER: Well, they - actually, now that I think of it,

they would be. They were being tested. It was just being

- they weren't being tested on dyno.

MR. CARLISLE: ASM, correct.

CHAIR WEISSER: So that shouldn't have impacted the number then, right?

MR. CARLISLE: Shouldn't have, but other areas were added about that same period of time.

CHAIR WEISSER: Ah, okay. And one moment, and I'll - Jeff, and I'll hand it over to you. 2005, is the -

MR. CARLISLE: SB 1107 bill.

CHAIR WEISSER: Is that what you're - these are the additional exemptions. At least that's what you believe?

MR. CARLISLE: Correct.

CHAIR WEISSER: Jeffrey?

MEMBER WILLIAMS: I just want to point out, in analyzing these differences across August when it's, like, one percent, that could just be how many Sundays are in the month.

CHAIR WEISSER: I was - m next series of questions was -

MEMBER WILLIAMS: I think all of this is useful, but we're at that level of differences. The only one that really - the only ones that are really remarkable are the change from 98 on that ramps up and the 2005 drop. Those are not Sundays.

CHAIR WEISSER: Do we have an analysis to see whether Augusts do result in the sort of change, potential impacts, Jeffrey's alluding to? Have we done any sort of statistical analysis to find out what level of change would be considered significant statistically, a couple of standard deviations above the mean from variability?

MR. CARLISLE: No, we just took a quick snapshot using the executive summary.

CHAIR WEISSER: Okay, and that's - I'm not complaining or criticizing or anything. I just want to get a good sense of the data. I'm struck by the, I guess, the overall conclusion you made at the end of the report, Rocky, that in fact, the number of cars has remained relatively constant. It's people entering the market as providers of test - dividing this relatively steady pie.

MR. CARLISLE: Correct.

CHAIR WEISSER: Well, it's a shrinking pie in 2005, I should add.

|| MR. CARLISLE: Yes.

CHAIR WEISSER: A dramatically shrinking pie, but up till then,

fairly steady. Jude? Okay. Jeffrey?

MEMBER WILLIAMS: A similar back of the envelope calculation would say the number of cars that dropped out in 2005 because of the change in model use covered and the different regulations about change of ownership is about 100,000, so this sounds about right. And it might be put in a context of the 15-year and older vehicles. How many would have been in if there'd been annual testing of those? I'm guessing, but it's about 75,000 more tests.

MR. CARLISLE: Per month?

MEMBER WILLIAMS: Per month. Just based on the profiles of age that we've seen, something like that, so these are both of comparable magnitude.

CHAIR WEISSER: Roger?

MEMBER NICKEY: Roger Nickey. Rocky just took away my screen.

I just wanted to point out something. The 2002, 2003, these two all of a sudden decreases, you've got to remember in these figures that you're not looking at those years; you're looking at what happened four years before that, because the first four years are exempt. The cars that come up eligible for Smog Check the first time are four years old. So if there was a decrease in automotive sales, which would result in a decrease of Smog Check, it would have happened four years ago, and now six years ago. So when you look at statistics, you can't say, well, gee, we

went down in 2000. What happened in 2000? You gotta look at what happened in, my God, 1998. Were we having an economic downturn then? Were car sales down? What happened then?

MR. CARLISLE: Good point.

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CHAIR WEISSER: Very good point. Okay, Rocky, please continue.

MR. CARLISLE: Okay, so activities yet to be completed. still looking at the unregistered delinquent vehicles, and I recently received a file from Jeffrey Williams with 24,000 vehicles whose registrations were due in November 2004 that are currently late. But we're going to find out how many are currently registered, how many are non-ops, see if we can calculate the attrition, maybe moved out of state, and those vehicles that are scrapped, because all that goes back to, you know, program avoidance, what may be program avoidance, but on the other hand, may be legitimate reasons for the vehicle not being smogged. Again, we're looking at the model specific cut points. Jeffrey Williams is also working on the comparison of test-only and test and repair stations. And the good news is, with two months, actually, to work with no meeting in between, we'll actually be able to accomplish a lot of this, so having said that -

CHAIR WEISSER: Is that a - is that a hint as to desired change in our schedule from our staff?

MR. CARLISLE: Not at this time.

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CHAIR WEISSER: Okay, are there questions on any aspects of the report from Members of the Committee that they haven't asked just yet? First of all, I want to compliment you and the consultant for doing a lot of work, and I find this analysis particularly helpful in, you know, frankly challenging some ideas or concepts I had going into today and giving me at least a little firmer understanding of what the reality is out there. I'd like to open up the questions, however, to the public, and we'll start with a new person here. Len, I haven't seen you for a while, Mr. T.

TRIMLETT: Guest commentator. Thank you. Len Trimlett. Rocky, could you put back the things? Okay, now, start with this one. Start with this one. Okay, if you say the decrease in the number of tests. Okay, now go back to the last one. Okay, there. Okay, if you compare this number of tests here, tests per station, okay. To me, I think that this reflects the fact that we had a large number of exemptions for new cars - four years and six years, but what needs to be done as a next stage is take the statistical data on levels of pollution throughout the state, air quality standard - air quality monitoring and compare what has happened to the air quality versus the decrease in the number of tests. You've exempted four and

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six year cars, okay. What did that do to the air quality? You can see the number of tests went down, but there was an assumption made that these cars are clean cars and they don't have a lot of problems, the new ones. The question is, is that really true? And so what I'm suggesting is that a good follow-up here would be to compare this data with ambient air quality, and that data should all be available. Does that sound like a reasonable thing? CHAIR WEISSER: Yes and no. The no part is you're assuming a direct linkage between this portion of the overall state emission control system, including emission controls on stationary sources and economic activity and a whole variety of other things, and it would be difficult to correlate the impact specifically of the Smog Check program to overall movement of our air quality. My understanding of what's occurred in air quality over the last decade is that, with one notable exception, ambient air quality has been improving rather dramatically in all of our areas, that one dramatic exception being in the San Joaquin Valley, where we are facing some very difficult issues. Ιf I'm incorrect, I'd love somebody from the Air Resources Board to wave their hand and come up and clarify. Ah, and

I see Sylvia. If you could just step aside and we'll save

MR. TRIMLETT: I have one more question.

your time.

CHAIR WEISSER: And we'll get back to you.

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MS. MORROW: I'm Sylvia Morrow with the California Air Resources Even in the San Joaquin Valley - if you look at the Board. Air Resources Board's website, we do have a listing of air quality transfer, all the non-attainment areas in California, and in the past two years at least, the San Joaquin Valley has improved their air quality dramatically, and you can - if you look at the trends on the website, about two years ago, things kicked in and San Joaquin lowered not only their number of one-hour violations, but the magnitude of them, so they are improving. And as we know, the South Coast Air District also, even they have had great improvement in their air quality. The Bay Area Air Quality Management District recently attained not only the one-hour standard, but recently, the eight-hour standard. So I think that, you know, if you look in the past, the air quality is improving. Right now, as you know, we're transitioning from the one hour standard to a more health protective eight-hour standard, so now we're at a different level, but I think that in the future, you know, even the most areas with the worst problems, and the eight-hour San Joaquin and South Coast will eventually attain the standard in the time allotted by EPA.

CHAIR WEISSER: We all hope. Len, that's not to say that the impact of the extended exemptions that occurred last year

hasn't had an impact. It's just that in the context of overall air quality, things are moving in the right direction.

MR. TRIMLETT: Oh, and I'm not questioning that. I'm just saying that, okay, OBD II has its problems, okay. Now, if in fact, the assumption was made that the cars are taken out of the program cause they're cleaner, okay. It seems to me that this is a good way to verify that that assumption was correct.

CHAIR WEISSER: I guess I actually don't agree with that. I

don't think this data is particularly helpful. What would

be helpful is the use of - in my mind, Len, would be the

use of on-road monitoring to identify, you know, how the

newer vehicles - continue to identify how newer vehicles

are performing and to see whether that fifth and sixth year

in the exemption, what kind of negative effect that has had

on air quality. I don't think you can draw those

conclusions from this data.

19 | MR. TRIMLETT: Okay, I -

|| MEMBER HISSERICH: (Overlapping.)

CHAIR WEISSER: John, did you have something you wanted to add

on that? Can you pause his time?

MR. TRIMLETT: Thank you.

24 | CHAIR WEISSER: Oh, okay, no. Is that it?

MR. TRIMLETT: Thank you.

CHAIR WEISSER: Thanks, Len. I really am appreciative of you paying attention to the data that's come forward.

MEMBER HISSERICH: Well, Rocky, I'm -

CHAIR WEISSER: This is John.

MEMBER HISSERICH: Yeah, John Hisserich. I was just looking at the one that's up there right now, and I may have missed it before.

MALE: Push your green (unclear) button.

MEMBER HISSERICH: Oh, it's on. It's on. Can I talk right into it?

CHAIR WEISSER: Yeah, that's fine.

MEMBER HISSERICH: Okay. I may have missed it. The drop in the total number of stations, or I should say, the big drop in the others. I just did the math here and added them up.

So 757 stations disappeared and 1,041 were spread between regular and test-only. What occurred then that caused that big shift in the designation of the stations?

MR. CARLISLE: What happened was the CAP program was in a trial period and during that period, we had a number of issues.

One was the gross polluter issue. We needed to be able to certify gross polluters in areas that didn't have a convenient referee, so they created the gross polluter certification stations. They also created Gold Shield dealer stations. They were a little bit different, and so you had a number of different sub-type of stations when CAP

was first being tried.

MEMBER HISSERICH: I remember you saying that, but then some of those just went away at that juncture. (Overlapping.)

MR. CARLISLE: Some of them disappeared because then they implemented the formal CAP program and then you had to qualify to play.

MEMBER HISSERICH: And then when they qualified, they would then fall under one of the other two categories and get redesignated.

MR. CARLISLE: Correct.

MEMBER HISSERICH: Okay, I just didn't quite understand. Thank you. Excuse me.

CHAIR WEISSER: Thank you. Additional comments from the audience? Mr. Peters.

MR. PETERS: Yes, thank you, Mr. Chairman and committee. My name is Charlie Peters, Clean Air Performance

Professionals. We're a group of motorists that are interested in these issues. Mr. Chairman, you brought up the issue of this report generating out of the Sunset Review Meeting and indicated that you felt that that meeting might have some importance. I believe, if you go to the California Senate website at senate.ca.gov and go to legislation - or committees, excuse me - go to committees and then go to joint committees, you will find the committee that is addressing this and you will find the

general subject matter and the time of that meeting. do perceive that that meeting has potential of being quite I have been going to the Business and Professions Committees staff for well over a decade and in my humble opinion, the primary opportunities to improve program performance, improve how the public's being treated, generally to provide a more effective program, is primarily, in my perception, a management issue, an oversight issue, not necessarily program design. And I have an opinion that improved oversight could result in very significant improvements in performance and improvements in how the program treats the public, so I have felt for a very long time that the Senate Business and Professions Committee was an appropriate place to address The Chairman of this joint legislative hearing happens to be the Chairman of the Senate Business and Professions Committee, Les Figueroa, so that is when that meeting takes place. I find all the data that you presented very interesting. Whether it has anything to do with program performance at all, I don't know. How many cars you test, how much you fine the public, those kinds of issues, whether that has anything to do with prevention of pollution, fixing cars, I kind of wonder if it has anything to do with it. The statistics as to how many we're testing, the question might be how many are we not testing?

So I think some additional issues maybe should be researched and looked at and we may find some - you know, I oftentimes hear comments about we've picked all the lower hanging fruit. I think that management and better utilization of testing cars, maybe, that should be tested, we may have a very significant harvest that could result in positive results if we go beyond the usual statistics of justifying our existence. Thank you.

CHAIR WEISSER: Thank you, Mr. Peters. Mr. Rice?

MR. RICE: Good morning, Bud Rice with Quality Tune-up Shops.

Three quick comments. The first one was the average repair cost as it relates to California. I think, Mr. Weisser, you're asking that question and Mr. Carlyle, I think your response was \$48 and 75 cents, is the California average?

MEMBER CARLYLE: No, that was the inspection cost.

MR. RICE: Inspection cost, I'm sorry. Excuse me. Now, is that per station or is that applied to the testing pool, what people actually paid?

MEMBER CARLYLE: That's a weighted average. In other words,
when they - that's based on the query that BAR does of each
station periodically. And then they take that number and
they multiply it by the number of tests they do and then
they average the overall.

MR. RICE: Yeah, I don't know that that -

MEMBER CARLYLE: So they come up with a weighted average.

MR. RICE: I don't know that that's accurate in terms of what do people pay. And if you applied that across the public, I doubt if that \$48 and 75 cents was the actual number people paid across the testing pool. That was my comment there. Second one was about the average smog check over eight years, and there was a 14.10 percent decrease, and I think that the conclusion was, was that the number of cars tested is fairly constant, but the number of locations has increased. I'll tell you from my own experience, we're over 55 percent now in terms of smog checks that we were doing versus smog checks that we're doing today.

CHAIR WEISSER: Excuse me, what do you mean by over 55? You lost 55 percent?

MR. RICE: I've lost 55 percent.

CHAIR WEISSER: Thank you.

MR. RICE: Thank you. So in a nutshell, it's almost as if - if I could stretch out here for a second, it's almost if not counting the great amount of compensation I'm sure you get for being here on the Committee, but if you took your private funds of money you made outside of the Committee, put them in a big bucket, and then divvy it up, you'd have some people that were pretty cranked up, sitting in the chairs up there today. But the thought process is, what are you all upset about? It's the same amount of money, split up amongst you guys. Well, the same thing's

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happening to us, okay. Same thing's happening to us, same number of cars getting split around and moved around a little bit differently, so that's why we're a little bit cranked up. Third comment is, on this topic here, on this slide here, you'll notice that the regular number of shops from 1998 at 4,900 to 2005, 5,300, didn't change a lot. Didn't change a lot, really, in the grand scheme of things. Test-only, though, from 148 stations to 1,700. That's a huge difference, huge difference. Not only that, but the number of cars that were available for us to test as regular stations got shifted over onto the test-only side. So there's a number of factors that are getting moved around here in terms of what's going on. True, maybe the number of smoog checks that are available for testing is constant. The number of stations are moving around, but on the regular side, which is the playground I get to play in, that number's fairly constant, but I'm telling you that the actual number of tests that we get a chance to administer is just disappearing like crazy. Thank you very much, Committee.

MR. CARLISLE: Mr. Chairman, if I might add, the 55 percent was predicted by BAR that test and repair would lose 50 percent as a result of test-only being implemented in the Bay Area, because that was 36 percent that would ultimately be directed and then there was another percentage for

volunteers. So in the grand scheme of things, that was a number that was predicted at meetings that BAR conducted prior to the Bay Area implementation, so he's not that far off target.

CHAIR WEISSER: And in fact, in the Bay Area, is that what occurred?

MR. CARLISLE: Yes.

CHAIR WEISSER: Do we know that there's been, like you estimated, 50 percent? Has there been that big a shift?

MR. CARLISLE: Yes.

CHAIR WEISSER: Okay. Roger?

MEMBER NICKEY: I just wanted to comment on the price per test.

Periodically we get the question up on our screen, what are you charging for smog checks? That's a little misleading, because most of us, and particularly me, we all have discount coupons. And we mail them out, in mine in particular are \$10, and probably the majority of them are \$10, although I've seen \$15 and I've seen \$20. So my posted price is one thing, but what I actually charge customers is something else, in most cases \$10 less. So the average price per test, I think, is inflated, and I would make a guess probably by 10 bucks.

CHAIR WEISSER: Rocky?

MR. CARLISLE: I don't necessarily disagree with that. In fact, that's one of the things we're gonna talk about later on

1 when we talk about a consumer information survey, a follow-2 up to the last one we conducted. So maybe through actually 3 going to the consumer - you know, the consumer is the 4 person that pays all the costs for this program, but we 5 know the least about them and their experience, so maybe we 6 can get that from the consumer in a survey. 7 CHAIR WEISSER: Is that data that you reported here, is that 8 based upon posted prices or actually charged prices? 9 MR. CARLISLE: The question asked when BAR queries a station 10 periodically - I believe it's once a month, and they say, 11 what did you charge for this inspection? 12 CHAIR WEISSER:

They're gonna put the posted price, then.

13 MR. CARLISLE: Exactly.

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CHAIR WEISSER: Yeah, so I think Roger's point may be well taken, although ignorant consumers, like me, sometimes don't realize that there are coupons running around. Roger?

MEMBER NICKEY: Are those just on first tests or do they include retests?

You know, it's a random selection, I believe, so MR. CARLISLE: I'm not sure how they look at it. I think it's just first tests.

CHAIR WEISSER: I'll bet you.

MEMBER NICKEY: Okay, because that would throw it off again, because most people either have a discounted or a free

1 | retest.

2 | CHAIR WEISSER: Yeah.

MEMBER NICKEY: So that would dilute it a lot also.

CHAIR WEISSER: Dean? One moment. He had his hand up first, so

we'll - and introduce yourself, please.

MR. SAITO: Dean Saito with the South Coast Air Quality

Management District. One of the most troubling data that I see here is the huge discrepancy in the repair cost per vehicle in California versus those of other states, and I'm just wondering, maybe, how confident Rocky - how confident are we with - you stated that the average repair cost is \$180 in California?

MR. CARLISLE: Again, that's based on BAR data that technicians enter, and in one of the surveys we did, a lot of technicians don't enter the data for various reasons.

Maybe they didn't do the repair, for example. Maybe the repair was done at another shop, so.

MR. SAITO: So are those averaged as zero?

19 | MR. CARLISLE: Yes.

20 MR. SAITO: Okay.

21 | CHAIR WEISSER: Excuse me, I don't think I understood that.

22 | FEMALE: Our missing data.

MR. CARLISLE: In other words, when the technician conducts a test, if he's done repairs, he answers yes to the repair question. Then it asks him what repairs did you do and

what was the cost. It breaks it down by labor and parts.

And in many cases - for example, maybe you had your test
done at Roger Nickey's and then you went to your local shop
to have the repair done, but then you went back to Roger.

Well, Roger would enter another test, but he would have no
repair data.

WEISSER: Well, I would hope not, since Roger's test only.

CHAIR WEISSER: Well, I would hope not, since Roger's test only.

MR. CARLISLE: Correct, but the repair data - my point is, the repair data never gets entered, and then in
CHAIR WEISSER: Well, but you wouldn't count that in the

MR. CARLISLE: No, no. We wouldn't have that to count, is my point.

CHAIR WEISSER: But you wouldn't count the zero. I mean, if you -

MALE: That's right, it wouldn't go (overlapping).

CHAIR WEISSER: If you did, yeah, you'd need - well, we'll find out. I'm sure that BAR will be able to illuminate us on that, and I'd ask you to find out and report back, because that anomaly in terms of the charges kind of jumps out as a big red flag.

MR. CARLISLE: Certainly.

statistics.

CHAIR WEISSER: Steve, is there something you'd like to add?

STEVE: I just wanted to comment on the inspection costs.

CHAIR WEISSER: Oh, and turn on the microphone. On the

inspection cost, I think Mr. Nickey is absolutely correct.

The BAR used to have - Before the VID, we used to have a methodology for determining inspection costs, which included the coupons, included senior discounts. It included - it was quite a lengthy questionnaire, a couple pages, but we got a good random sample, and so I think that the current method of doing this through the VID is inherently flawed.

9 || MALE: Useless.

STEVE: I wouldn't say useless. It's cheap. It's cheap.

CHAIR WEISSER: Efficient, cost-effective. Dean, did you have something else you wanted to add?

MR. SAITO: Another comment was that I believe in 2001 or 2000, there was legislation which exempted a rolling average, 25 years and older vehicles, and I was just wondering, could that have been the reason why we started to see a decrease? As that legislation was passed, we started exempting 25 year and older vehicles?

CHAIR WEISSER: I believe that legislation was passed in the 80s, when - I thought when Senator Kopp was around, that's when the -

MR. SAITO: Was that 80s?

MR. CARLISLE: Yeah, the 25-year, I think, is quite old.

24 | CHAIR WEISSER: Yeah.

MR. CARLISLE: I believe.

FEMALE: Oh, my mic's (unclear).

MR. SAITO: Okay, thank you.

CHAIR WEISSER: Okay, thank you. Are there any other comments from the audience? Anybody in the audience want to clarify any of our misconceptions at this point? Okay. I want to encourage continuation of this sort of data collection and summary and analysis. It points up things we need to look at. I'm particularly interested in follow up on understanding better the difference in the repair cost between us and other states. I just can't believe that California mechanics are four times as efficient as those in other states, to be able to do the same sort of repairs at a quarter of the cost. Rocky, I'll ask you now to conclude your activity report if there's anything further you'd like to add?

MR. CARLISLE: No, Mr. Chairman, that concludes the report. One thing I did want to mention - we had a little noise on the teleconference, and for those that are on the teleconference, I would like to ask them to put their telephone on mute until they have a comment to make, and that way we don't pick up their background discussion.

CHAIR WEISSER: Okay, I hope everyone who's listening in on the phone has turned on their mute or at least, if they don't have a mute button, to be discreet in their activities.

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We'll now move to item number four, which is a review of the mission statement that the IMRC adopted shortly after I was privileged to join the Committee. We went through a period of a meeting or two, had substantial discussions to try to come up with some simple statements that really outlined the direction that we felt this Committee was charged with. And I thought it would be a good idea to bring it back to the Committee, since we have a couple of new members. Unfortunately, Mr. Fryxell is not here. spoke with Chuck last week and I'm confident he'll be joining us in January, but I do think it might not be a bad idea for us to just take a moment now, read through this very short mission statement, and if there are some suggestions that anybody on the Committee would like to make in terms of modifying it, what I suggest is, we may want to hold those for now and bring this back in January, when Mr. Fryxell is here so we can cover this all, you know, with all - have a full discussion with all of us present. But if there's a burning issue that any member of the Committee would like to raise on this, please do so. would also invite members of the public to submit suggestions that they might have in modifying this mission statement to Rocky Carlisle between now and a couple weeks before our January meeting so we have the benefit of getting public input prior to that discussion.

okay with Members of the Committee? Okay.

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With that, Rocky, I'd like then to, if we could, move on to this item number five, which is the IMRC budget or grant activity, and I'm not sure if there's more you want to cover here than you gave in the activity report.

MR. CARLISLE: No, there really isn't. The only thing I was going to comment on - our budget was actually increased a little bit this year. It was increased to \$145,000, so we actually have a little bit more to spend in our other budget.

CHAIR WEISSER: Does that mean the meetings are going to be moved to Maui?

MR. CARLISLE: Maui would be good, yes, yeah. But one of the things that it provides us the opportunity to do is to bring in some additional expert testimony, because we can bring in expert testimony from other states if we desire.

CHAIR WEISSER: Well, that's a potentially good use of the money. I'm so pleased that you've been able to find the resources to hire Mr. Gould as our consultant. I think that also is -

MR. CARLISLE: Been excellent.

CHAIR WEISSER: - help for all of us, so appreciate that.

24 Anything further, Rocky, on that item?

MR. CARLISLE: No, sir.

CHAIR WEISSER: Is there any public comment on that item? Good.

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We'll now ask our representatives from BAR to give us an activity report and what's going on, things that we should be aware of happening, what we should be worried about, and what we need not worry about as we head into Turkey Day.

MR. COPPAGE: Good morning, committee. Alan Coppage, Bureau of Automotive Repair. Mr. Chair. In the respect to a fairly long agenda today, I will be brief. A few topics that have been e-mailed to me by Rocky, BAR has addressed in the past, and it's been an ongoing discussion regarding the \$450 repair cost waiver dollar amount. As we saw with Mr. Carlisle's presentation today, that was kind of brought to This has been an issue for a number of the forefront. It's been discussed by my predecessor, Wayne months. Ramos, and last month we had Chief Ross here discussing the \$450 repair cost waiver. And the question that was posed to me by Rocky by way of the - from the Committee by way of Rocky - will BAR's analysis regarding the reason for not increasing the \$450 repair cost limit be shared with the Committee? I might need some clarification on this, cause we've done it a couple of times. We've discussed kind of the dynamics regarding the \$450, the number of vehicles that receive a repair cost waiver once \$450 dollars has been spent to reduce the emissions on the vehicle where

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more dollars are needed. We looked at that number and I would like to possibly get some clarification from the Committee on this question, because the eight hundredths of one percent, approximately 1,640 vehicles, received a repair cost waiver in 2004, which represents an extremely small number of approximately 1.5 million vehicles that failed. And again, this was talked about by Chief Ross last month. So the question is still being posed to BAR and I would respectfully request some clarification so that we can answer the question you're really asking.

CHAIR WEISSER: Okay.

MR. COPPAGE: And this might not be the appropriate forum for that. At this point, it can be sent through (overlapping). CHAIR WEISSER: Well, I'd like to take a shot at it if I could, and folks can - I guess what I'd like to have come from BAR is an issue paper, and the issue paper would address the issue of, should the repair cost, the limit, you know, limit be raised? And the discussion should cover a pro and con analysis of whether or not it should be raised, including identification of the small number of vehicles, any other data associated with what you think might be the cost effectiveness of raising the repair cost limit, an analysis of why other states are higher than California, and, you know, if you can, why is California low, I'm asking, and lastly, I'd like to understand and know whether

that reluctance to raise the repair cost waiver is shared by your sister agency, the Air Resources Board. So I guess I want to see something in writing.

MR. COPPAGE: Very well. Very well. Secondly, the second CHAIR WEISSER: And before you go, are there other aspects that
people would like to cover? My mind is open. I mean, it
seems to me that if that repair cost waiver was a good
number in 1998, then it's a bad number now, because it
hasn't been adjusted for inflation. But I'm willing to be
educated as to why inflation should not impact the repair
cost.

MR. COPPAGE: Thank you, and I appreciate that comment. I have done a significant amount of reading with the minutes of meetings. Being new, I spent a lot of time staring at 180 pages per meeting. It's pretty interesting, and the conversation that you had with Wayne Ramos, again, my predecessor, a couple of months ago - I believe it was in the August meeting - was exactly that, and I think you even said, if it is what it is, great. That's fine. You just want to make sure that all the areas were covered, correct? That we have covered every base.

CHAIR WEISSER: I should mention one of the issues we're dealing with that I'd love to be on the same page as the agencies is, there is interest in this issue in the legislature.

MR. COPPAGE: Sure.

CHAIR WEISSER: So having a paper that in writing describes what the situation is with, you know, a pro-con analysis of your considerations, I think is going to be helpful and it's going to be needed, one way or another.

MR. COPPAGE: Very well. And moving on to the second question, the question -

CHAIR WEISSER: Excuse me, Mr. - I'm sorry, Jeffrey.

MEMBER WILLIAMS: Jeffrey Williams. I just want to elaborate a bit too, and my mind also is open on this, but the data you emphasize seems to me a two-edged sword. I'm probably mixing a metaphor here. If it doesn't affect very many vehicles, why change it, you say, but then again, why not argue, why not change it, because it doesn't affect very many vehicles. And it might be helpful just to know something about those 1,200 vehicles, as few as they are. Are they older model cars? Or just a few facts. Maybe that'd be part of that written report.

MR. COPPAGE: Very good.

19 CHAIR WEISSER: Thanks. Oh, I'm sorry, Roger.

MEMBER NICKEY: I just did it a couple minutes ago.

CHAIR WEISSER: Is your button on?

MEMBER NICKEY: I would really like to know how the data's collected, because I think there's going to be a huge impact on what the repair costs are averaged back over. If they're being averaged back over retests, if they're being

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informative.

Sure.

MR. COPPAGE:

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MR. COPPAGE: So that's it.

Great.

CHAIR WEISSER:

CHAIR WEISSER: Is there anything that we can do to make your

CHAIR WEISSER: Okay? Any other questions? Please proceed.

averaged back over - in other words, the way it's

actually - I think it's actually higher than it is.

CHAIR WEISSER: I don't think you need to respond today on that,

reference to how that data is collected, that would be

but when you prepare this issue paper, if you could make

collected, I think, has a big impact on it. I think it's

MR. COPPAGE: Thank you. The question that was posed, will BAR field evaporative testing analysis be shared with the I think Chief Ross, again, addressed this last Committee? month. We have yet to receive the full report from the Air Resources Board, and at such time, absolutely. We will be happy to share that.

Thank you, and we'll get from Sylvia what the CHAIR WEISSER: status is on that. Thank you.

MR. COPPAGE: Lastly, this question is somewhat dependent upon the first. What additional issues need to be studied or reviewed before low pressure evap testing can be implemented? And obviously, it would be premature for us to respond to that before seeing the report.

life easier in this role, outside of asking you for things?

MR. COPPAGE: Actually, I think what we just did was very

helpful for me.

CHAIR WEISSER: Okay.

MR. COPPAGE: Just healthy discourse between the two in asking for clarification. You know, coming into this new, I will probably make a few mistakes and (overlapping).

CHAIR WEISSER: We'll match you mistake for mistake.

MR. COPPAGE: And we'll go together on this thing, but seeing again, reading transcripts and seeing the specific thing on the repair cost waiver, it kept popping up and I had to ask myself, we're obviously not answering the question that you're asking, because it's coming up again and again. And I appreciate you expounding on your thoughts about what you're really looking for, and we'll do everything we can to address this issue completely, to come to a conclusion.

CHAIR WEISSER: Cool, thanks a lot.

MR. COPPAGE: Very good.

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CHAIR WEISSER: We'll now move directly to the report from our representative from the Air Resources Board.

MS. MORROW: Good morning. I'm Sylvia Morrow with the

California Air Resources Board. First of all, I'll give

some updates and then discuss the questions that Rocky

conveyed to me in an E-mail. First of all, regarding the

low-pressure evap report, it is currently with our upper management. We anticipate providing it to BAR within the next couple weeks. Once we provide it to the Bureau of Automotive Repair, we will provide it to - and the Bureau of Automotive Repair receives it, we will provide it to the IMRC and other entities wishing a copy - wishing for a copy.

CHAIR WEISSER: And let me make sure I understand. In other words, you'll send this out to the BAR and contemporaneously send it out to us?

MS. MORROW: No. Once we know they have received it, once they have seen the -

CHAIR WEISSER: So 24 hours after they get it, you'll send it out?

MS. MORROW: Once I am assured that they have gotten a copy of it, that Dick Ross has gotten a copy of it and seen it, then I will pass it out. We want to make sure that the agency gets it before anyone else, which would be appropriate.

CHAIR WEISSER: Good idea, so you can have just him essentially served, like a process server, with the report?

MS. MORROW: I don't think that would be, but like I said, the

Air Resources Board wants to make sure that Dick Ross

receives it before anyone else, since it's directly
CHAIR WEISSER: I sure think that's a grand idea.

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MS. MORROW: Okay. Also, Sierra has - our contractor Sierra has started working on a draft test plan to analyze the Smog Check Inspection Program. Our current time schedule is that ARB, BAR, and Sierra will present the plan at the IMRC's January 2006 meeting, so we would like to put that on the schedule. Right now we're shooting for that time frame. Finally, I know that you're always interested in our evaluation report. I did check. It is currently at the Governor's Office, and we have not received any action on the request for report approval.

CHAIR WEISSER: Do you mean the Governor failed to take this report to China with him on his trip to read it in the airplane?

MS. MORROW: I'm not exactly sure on the details, but he has not provided us an okay to send it to the legislature and make it a final report.

CHAIR WEISSER: So remind me when this report was statutorily required to be sent to the legislature.

MS. MORROW: I believe in - I believe it was January 1^{st} , 2004.

CHAIR WEISSER: I think you may be a couple years off.

MS. MORROW: Oh, 2003, I'm sorry. January 1st, 2003. I've been corrected.

CHAIR WEISSER: Well, let's hope the timetable for removing our troops from Iraq is a little bit more accurate than that statutory requirement.

MS. MORROW: A few weeks ago, Rocky Carlisle transmitted to me a memo in which he specified the questions from the IMRC Committee due to my last presentation at the last meeting.

I am still in the process of going through the transcripts to see if there are some additional questions, so at the following meeting, I may provide some additional questions, but these are the ones that Rocky had sent to me.

CHAIR WEISSER: Excuse me, before you start, Sylvia, that's the second comment we had regarding reviewing our transcripts, and there is an easy way to make these transcripts thinner, folks.

MS. MORROW: Not do so much talking? Anyway, the first question was whether any vehicles were damaged due to the low-pressure evap test, and I am still currently researching that, so I will get back to you on that. The second question was why did Kentucky eliminate their fuel evaporative test program? I checked on that. Kentucky eliminated low-pressure evap test program because they eliminated their entire I/M program. They submitted a revised maintenance plan to US EPA in which they substituted a control measure for the I/M program.

CHAIR WEISSER: This is a SIP maintenance plan.

MS. MORROW: It is a State Implementation Maintenance Plan. EPA subsequently approved the revised maintenance plan and there, the Kentucky legislators passed legislation removing

the I/M program and it was effective November 2^{nd} .

CHAIR WEISSER: Are cars from Kentucky banned from entering areas that are in non-attainment? Well, I mean, you know, cars have this annoying habit of moving. And even though Kentucky may be in attainment, there may be other areas these cars visit that really are struggling to improve air quality. This is not aimed at you, obviously. I just think it's nuts.

MS. MORROW: The third question was, to how many different vehicle models would the low pressure fuel evaporative test apply? The low-pressure evaporative test is applicable to 1976 to 1995 model year vehicles, that's light, medium, and heavy-duty vehicles. However, in the regulatory process that BAR will go through, what vehicles the test will be applicable to could change, because they may want to do a focus program where only a certain subset of the 96 to 95 model year or they may decide to only do passenger cars, light-duty trucks, so that information would come out during the regulatory process.

CHAIR WEISSER: Sylvia, do you know what the maximum, the start number, would be?

MS. MORROW: Of the number? Well, there's the number of model years and then it would be all makes and models encompassed, all gasoline make and model years.

CHAIR WEISSER: About? Do you have any idea how many?

MS. MORROW: I don't, off the top of my head.

CHAIR WEISSER: Okay, well, that would be a nice place to kind of start.

MS. MORROW: Okay, I'll see if I can check to see how many makes and model years are encompassed.

CHAIR WEISSER: I don't care about makes and models; how many cars would be in that group?

MS. MORROW: Okay.

CHAIR WEISSER: Recognizing some are going to drop out because they're too difficult to test, some are going to be who knows what. Sylvia, this is all based on the assumption, I'm assuming - and the BAR report will cover this or ARB will cover this - that the OBD II is actually working to identify these sorts of evaporative emission failures. Do we know that? Is it working? Is your report -

MS. MORROW: Our report is not going to focus on the OBD II cars. We are confident that the low-pressure evap test in the OBD II vehicles will adequately determine if there's a leak in the system.

CHAIR WEISSER: I guess my concern is raising - because since that previous information we heard regarding - I'm not sure which state it was, Rocky, but there are a whole bunch of cars that were yanked over as failing on the road, but none of them had failed OBD II tests, and my confidence in OBD II needs bolstering.

MS. MORROW: Well, I think I realize what statistic you're talking about that Rocky presented. It was where they did the RSD and those that were twice above the standard, they brought in for testing and only 80 percent of them failed.

COMPUTER: This conference is showing no activity. If you'd like to continue the conference -

MS. MORROW: I think something -

COMPUTER: - press star one now.

MS. MORROW: - that also needs to be looked at is that 20 percent of the vehicles that RSD identified as a failure passed, and that's also an important statistic to look at.

As far as -

CHAIR WEISSER: But I believe that those cars were retested,
like you're saying, so that of the X number of cars that
were identified as two times - emitting twice the allowable
level, 80 percent failed and yet not one of them failed
through the OBD indicator.

MS. MORROW: Well, I don't have a real - I don't have a look at what that data is, and you know, I really can't answer that question.

CHAIR WEISSER: No, I recognize that. I'm just trying to put forward why my confidence in OBD II as adequately covering newer cars is shaken, and I'd love somebody to tell me, pat me on the head and say, don't worry, Vic, it's okay. It's all working fine. So you're going to be able to do that in

this report, right?

MS. MORROW: Like I stated earlier, in this report, we did not specifically address OBD II vehicles. And I can come back at the next meeting and provide you with the number of vehicles that, if we were to look at the entire fleet, would be tested with the low-pressure evap.

CHAIR WEISSER: Thank you. Roger? You're doing great, Sylvia.

MS. MORROW: Okay.

CHAIR WEISSER: Roger?

MEMBER NICKEY: From the real world again. We find almost all of our gas cap failures on OBD and we never have a check engine light. We have many, many vehicles OBD II that fail tailpipe that have no light on. I have many, many vehicles that come in with the check engine light on with an OBD II failure, pass emissions. So my confidence is not very - my confidence level's not very high in OBD II to diagnose problems. The only cars we generally find that will throw a light with evap is if the cap is missing. Many times the gas cap will fail the test, but it doesn't throw a code, it doesn't turn a light on. So it's definitely a good system, but to replace Smog Check, I would say heck, no.

CHAIR WEISSER: Okay. Please continue, Sylvia.

MS. MORROW: Okay, item four on Rocky's list was to provide a list of the potential contractors. I contacted our contract personnel to find out if we can release the list

and I have not received the okay yet. As soon as I receive the okay from them, I will provide you with a list.

CHAIR WEISSER: These are contractors for?

MS. MORROW: These were the potential contractors when ARB and BAR did the joint RFP for Smog Check evaluation. Dennis wanted a list of who we sent the RFP to, and so I do have that list, but I have to wait to make sure that it's okay for me to release it.

CHAIR WEISSER: Thank you.

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MS. MORROW: And let's see. Item number five, can we get cost information from Arizona, Kentucky, and Delaware regarding the cost of the fuel evaporative test equipment? At the beginning of evaluating our low-pressure evaporative test, I contacted all of the states that were implementing this The actual state agencies had hired contractors program. to do the testing. I was unable to get any information as far as what the actual cost of the tester was. stated, they're all centralized programs and it could be that the cost of the tester was just incorporated in the entire cost of the program, but I really tried and I was not provided the information. So maybe Rocky might have a little bit more luck than I did, but I can't find it.

CHAIR WEISSER: Thank you.

MS. MORROW: And finally, the results of the beta testing performed by BAR, if the IMRC could get a copy. The Air

Resources Board doesn't have a problem with that; however, we do not have a copy or information regarding the beta testing that was performed. We have final numbers, but we don't have the actual data, and I would contact the Bureau of Automotive Repair for that question.

CHAIR WEISSER: Thank you, Sylvia. Are there any questions from members of the Committee? Thank you. Thanks, both agencies, for these reports. Really appreciative of the time and effort that you spent to try to keep this Committee informed on what's going on and your good sense of humor in dealing with the assaults that come from up on the dais at times. Are there any comments from members of the audience on this portion of the agenda? And we'll start in the back this time with Mr. Saito. Do you want to say now?

MR. SAITO: Dean Saito, South Coast AQMD. One additional comment I may ask the IMRC to request of BAR is, on the disposition of those 1,600 waivered vehicles, it might be interesting to know what happened to those vehicles. So as BAR investigates those waivers, find out what happened ultimately to those vehicles. Did they ultimately get a passing smog check? Did they move out of the state? What was the disposition of those 1,600 vehicles? Thank you.

CHAIR WEISSER: I just might ask if that is something that is easily attainable or is that a big workload thing, cause it

might be difficult. I don't know what the system works, how the system works.

MR. COPPAGE: A number of different options.

CHAIR WEISSER: Identify yourself again.

MR. COPPAGE: Alan Coppage, Bureau of Automotive Repair. A number of different options. Again, clarifying the one time repair cost waiver. This is a one-time relief mechanism for exorbitant repairs. The original mechanics - CHAIR WEISSER: Excuse me, the word exorbitant kind of makes me twitch. You mean needed repairs that are above the waiver limit?

MR. COPPAGE: Right.

CHAIR WEISSER: Thank you.

MR. COPPAGE: The whole relief mechanism - it's a relief mechanism for that, and the whole - the shop illustration is, the V8 that needs a valve job for both cylinder heads. Person comes in and the diagnosis is, you need a valve job and it's going to be \$1,200. Oh my goodness, I can't handle that. Well, let's do one cylinder head, reduce the emissions and between now and then, you'll have two years to get this car - get the other cylinder head done and in two years, you'll come back and everything should be fine. Theoretically, that was the way the shop looked at it from repairs were meant. So in two years, a vehicle that received a repair cost waiver is going to be up for

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requiring a smog inspection for their biennial registration in two years, correct? That makes sense. So what happened at that point with 1,640 vehicles, that's not a huge number of cars to look at, but trying to find a needle in a stack of needles isn't easy either. So looking at that, I will be happy to take a look at it and see what we can come up I certainly can make no guarantees, but most of the vehicles that are in that category have mechanical That's why they're there. Those vehicles die of problems. attrition. Those vehicles are retired through our vehicle retirement program. It's part of the CAP program. a myriad of different reasons, ends that those cars come We can take a look at it.

CHAIR WEISSER: I agree with you that this is not worth - Dean, excuse me for my bluntness. I don't think it's worth the expenditure of a ton of energy, but if there are some readily available stats on it, that would be good for us to know, okay.

MR. COPPAGE: I'll look into that.

CHAIR WEISSER: If there's something that's relatively easy to come forward with, that would be good to know. Otherwise, I guess we have to assume that, as you're saying, the cars have either been repaired so that they pass Smog Check or they are somehow no longer in the fleet and we'll pretend that unregistered cars don't exist in California.

MR. COPPAGE: Don't exist.

CHAIR WEISSER: Okay, I think Ms. Bonnie Holmes - I'm sorry.

Jeffrey?

MEMBER WILLIAMS: This could take a lot of time to analyze, but

I've done most of the prep work with the five and a half

years of data. If you just give me a list of the VINs of

the cars from 2004 or even earlier -

MALE: Ah, yes.

MEMBER WILLIAMS: - I'll be able to find out what happened to them pretty quickly, and yes, it's costly, but I'd bear the cost, so I'm happy to do that.

MR. COPPAGE: Well, I'd be happy to give you an assignment.

CHAIR WEISSER: Terrific.

MR. COPPAGE: Yeah, I'll get with you through Rocky.

CHAIR WEISSER: Thank you very much, Jeffrey, and thank you, Alan. Bonnie?

MS. HOLMES-JENN: Good morning, I'm Bonnie Holmes-Jenn with the American Lung Association of California, and I just wanted to make a couple comments about the evaporative emissions test, cause we've been watching this very closely over the past year and we're very concerned about improving the effectiveness of Smog Check, as I know you are, and I'm very impressed by all the questions and discussion today. And we think that this evaporative emissions test is an important next step. And I wanted to point out that we

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submitted a letter in May. I'm not sure if you had noticed that earlier, but we submitted a letter, along with the Natural Resources Defense Council and the Union of Concerned Scientists to BAR and ARB and we've also discussed this letter with the agencies. And we pointed out in the letter that this evaporative emissions test has been promised for at least five years, so it's been a very long time frame that we've been waiting for this test to be implemented, and that ARB actually committed to this test procedure in a 2000 letter, a letter in August of 2000 to federal EPA. So it's been a very, very long time that we've been watching this process. We're anxiously awaiting the issuance of this report by ARB and based on the presentation at the last month's meeting, it appears that all the issues have been fully addressed and that the test has been proven effective and necessary. And at this point, we'd just like to get some assurance that BAR is going to expedite the regulatory process and begin this new testing procedure. I know that you can't give that to me, but I wanted to make this public statement that we're watching this very closely and that is what we are requesting of BAR, that this testing process - as soon as you get this report, that you expedite this process and get this test up and running. Obviously, the emissions reductions are available now. We'd like to capture them.

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The window closes over time because we're obviously targeting a certain portion of the vehicle fleet, and every year that passes, you know, we're losing some of those emission reductions, so we're very concerned and we'll be continuing to watch this and comment before you on it.

CHAIR WEISSER: Thank you, Bonnie. I assume that you'll be able to be present at the January meeting, when this item comes up?

MS. HOLMES-JENN: I'm glad you didn't ask me that December, because December 27th, I'm not going to be here.

CHAIR WEISSER: But if you and the co-signers to that memo are concerned about this issue, I think it's very important that you be here at the meeting.

MS. HOLMES-JENN: Yes, thank you. Thank you.

CHAIR WEISSER: Did we have a comment?

MR. CARLISLE: No, I was just going to thank both Alan and Sylvia, because they didn't get those questions until late. We have a new transcription company right now, and I think they did a good job, but there were some issues that we had to send things back and forth, so we didn't get it quite in a timely manner, but again, it was their first shot at it and there's a lot of acronyms and language that we use that isn't normally used in day-to-day business, so they did a good job in getting the information to us.

CHAIR WEISSER: Yeah, you guys are great to work with.

really appreciative of that. Okay, are there any other comments? Mr. Peters?

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3 MR. PETERS: Mr. Chairman, Committee, I'm Charlie Peters, Clean 4 Air Performance Professionals. We represent motorists. We're a coalition of motorists. Couple items - the issue 5 6 of a cost limit. Previous speaker was quite concerned 7 about the implementation of the fuel evap. I don't see 8 necessarily the justification of that, but I certainly see 9 that - I was under the impression - conversations took 10 place on the issue of cost limit. It was made very clear 11 by EPA early on in this process that the cost limit was a 12 matter of the Clean Air Act amendments, an absolute, 13 inescapable requirement, so if anybody decides to sue on 14 that issue, that's probably an issue that would require 15 action. By that you're indicating, Mr. Chairman, that the 16 legislature, it's on their screen and being looked at, and 17 that issue is being brought up for a whole bunch of years, 18 and that might very well make a real impact. Quite another 19 question is about the issue with the AB 386, legislation 20 requiring CARB's participation. I still have the 21 impression that CARB was removed from policy issues in 22 1994, that AB 386 is still not passed, so I question 23 whether or not the real participation in policy support is 24 appropriate with the Air Resources Board. Your comments, 25 Mr. Chairman, about vehicles are mobile and gee, it's just

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nuts to remove these cars cause they move around, that taken with the issue of 1.43 million U-haul and associated out-of-state plated vehicles that has received no action, is interesting comparison. And if you look at the actual total number of cars with plates and or zip codes, that that might be something like 4,000,000 cars which may be significant opportunities, and we continue to ignore that is interesting. The issue that's been brought up about cost limit, do we have a cost limit or do we have a cost minimum? I believe the Clean Air Act amendments required a spending of money and the way that was presented is, if you have a \$2,000 repair, the cost limit is \$500 and that's the only thing that you need to do, or the next thing that you have to do and you haven't passed the limit, that it is necessary to do the repair. So there's some additional factors here that the Committee might want to consider.

CHAIR WEISSER: Thank you, Mr. Peters. Are there any further comments? Mr. Trimlett?

MR. TRIMLETT: Len Trimlett, Smog RFG. It seems to me after thinking about the previous discussion, this Committee has an opportunity for real good issue paper. Essentially, the issue paper would be, you have data for how the air quality has changed over a period of years. You have MTBE, you have ethanol, you have the transition to dynamometers. You have the transition to test-only, and I could go on and on,

but the point is, if you look and compare air quality versus these parameters, it might give some ideas for future evaluation of how the smog program could be improved. And what I will do is, on my own time, I'll write that up and I will present that to the Committee. Thank you.

6 Thank you

CHAIR WEISSER: Thank you, Len. The challenge that you'll face, as we all do, is the causality, the issue of causality.

And there's no doubt in my mind that the work that BAR and ARB have done on mobile sources is an enormous contributor to the improvements that we've seen in California air quality, but how much of it is a much more difficult question to ask.

MR. TRIMLETT: Believe it or not, I'll be the first to agree with you.

CHAIR WEISSER: Well, the jury will so note. Any further public comments on this item, these items? Very good. Rocky, I believe it's now time for you to lead us into two very interesting presentations that we've all been looking for.

Ah, we're having requests from one of our members to perhaps take a break, but I'm concerned whether a break will interfere at all with the ability of our presenters to make their presentations, so how do we find out what the situation is?

MR. CARLISLE: We have Dr. Lawson on the line. I'm assuming he

can hear me at this point.

CHAIR WEISSER: Doug? Calling all Dougs. We're gonna take a break, and we'll make it a 10-minute break, so we will - No, we'll make it, yeah, a 10-minute break. We'll start at 13 minutes after the hour and if you could just make sure all the technology is kind of lined up and working when we come back in, I think we'll all be ahead of the game. Want to for the record acknowledge that Dennis DeCota has now joined the Committee. So we'll, as I said, take a 10-minute break, be back at 11:13.

DR. LAWSON: Rocky, can you hear me okay?

12 | MEMBER NICKEY: Yes, I can.

DR. LAWSON: Okay, good. I'm going to take a little five-minute break myself and I'll be right back at my desk in two or three minutes, Rocky.

MEMBER NICKEY: Okay, we'll see you on the backside.

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CHAIR WEISSER: Okay, ladies and gentleman if you can take your seats? Okay, this meeting will now come back into order.

Thank you. Everybody has their phones turned to vibrate or mute and we'll ask Mr. Carlisle to introduce our next item.

MR. CARLISLE: Thank you, Mr. Chairman. We have a presentation on particulate matter and EPA'S high mileage OBD II study, and the speaker and the one that's done this research is

Dr. Doug Lawson. He's a principal scientist at the National Renewable Energy Laboratory in Golden, Colorado, where he's responsible for OHVT's Environmental Science and Health Impacts Program. He coordinates with industry, government, and university groups in understanding the influence of fuels and motor vehicles emissions on air quality in the US. He also currently serves as a Commissioner on the nine-member State of Colorado Air Quality Control Commission and has authored more than 100 reports on various aspects. Dr. Lawson worked at the ARB from 1980 to 1992, where he performed air pollution research and supervised many air pollution research studies, and finally, he served as a consultant to the IMRC back in the mid-90s. So I'd like to welcome Dr. Lawson.

15 CHAIR WEISSER: Good morning, Doug.

DR. LAWSON: Good morning.

CHAIR WEISSER: We are all waiting with bated breath for your presentation, so please begin.

MR. CARLISLE: I should mention, too, that he is speaking and I'm controlling his slides and some of these slides he's going to skip, so if you see us skip over a couple of slides, don't be concerned. That was by design, not an accident.

CHAIR WEISSER: But you have removed all the "Far Side" cartoons from the presentation. Is that correct?

MR. CARLISLE: I hope, yes.

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DR. LAWSON: Good morning, Mr. Chairman and members of the IMRC.

My name is Doug Lawson and I wanted to find out first, can
you hear me okay?

CHAIR WEISSER: We're fine.

DR. LAWSON: Okay, fine. Now, I'm watching the web cast here in Denver, but that's about seven seconds delayed, so I won't watch the screen while I'm doing the presentation. just reading from my presentation that I have, and I appreciate the invitation and opportunity to discuss some items with the Committee. I'd like to address a couple of things, or just answer, maybe, a couple of questions that were asked earlier. First, when the ARB person, I think Sylvia, was asked about remote sensing. What we've seen in every study with regards to remote sensing, when we pull cars over right on the spot and they're given an emissions test right on the spot after they've passed remote sensors, if the remote sensor identifies them as a high emitter more than 90 percent of the time when we give them any confirmatory emissions test, regardless of the test, they all fail, so it has a very high positive hit rate. Secondly, she also mentioned ozone trends in California. sent Mr. Carlisle a file during the presentation. When she mentioned that, I went to the South AQMD website and just

did a quick download of the data and presented a graph, and what we see with ozone is quite disturbing in LA. 1998, it dropped. Until 1998, it dropped dramatically and then flattened out, and may have gone up just a little bit, so we've seen some disturbing trends with regard to ozone over the past seven or eight years, where it hasn't dropped very much. Regarding the repair costs and Dean Saito's request to get information on these cars that may have gotten waivers, that's very, very important to try to understand that, given that with an I/M program, at least half of the benefit that you can hope to get from an I/M program comes from only five percent of the fleet. you have trouble locating those five cars, if there's something that's gone wrong with only five out of a hundred, then you lose nearly all the program effectiveness or benefit if something happens with those five vehicles, so you're literally looking for needles in a haystack. I would support Dr. Williams' effort to try to understand what happens to those cars. Unfortunately, just looking at registrations doesn't help because it was shown in Ohio, when the I/M started in a couple of counties there, the registrations for those counties dropped five to seven percent when the program started. Then when the program was ended, the I/M program was ended, the registrations increased five to seven percent, so the registrations moved

the cars out, but they were probably being driven in the area all along, so it's a very difficult thing to follow up Now, with that, I'd like to begin my presentation and discuss two different topic items. One is results from our gasoline diesel PM split study, and in a second, I'll make some comments on this EPA's high mileage OBD study that was just published this month in the journal. Next slide, This result had quite a few groups participating in Rocky. the study. We had people from Desert Research Institute in Nevada. University of Wisconsin was involved, US EPA, and West Virginia University, so we had a good number of scientists throughout the country who were doing the study. Next slide, we acknowledge our support. This comes from US Department of Energy, who paid for the majority of the funding of this study. We also received support from Ralph's Grocery. As I mentioned previously, US EPA, the California Bureau of Automotive Repair, and Dean Saito, who spoke earlier today, was instrumental in helping us recruit vehicles in the study when he was at the Bureau of Automotive Repair, and now he's at the AQMD. We also had support from AQMD in locating some high-emitting vehicles, and also from ARB. The next slide shows the objective of the study. It was to quantify the relative importance of PM emissions from gasoline or spark ignition and diesel compression ignition engines in the south coast.

mentioned, we had quite a wide variety of people involved with this study, from different parts of the country, who came out and participated. The next slide shows the approach that we used in the study. We did source testing of a large set of gasoline and diesel powered motor vehicles using EPA's and West Virginia University's transportable dynamometers. This was done between the months of May and September 2001, and in fact, we tested 100 vehicles, roughly 60 light-duty vehicles, and 35 heavyduty vehicles. And the reason we did that was, we wanted to obtain real-world vehicles whose emissions we could test and perform chemical analysis on their emissions. that was done, we were able to develop source profiles or fingerprints from those different types of fleets and then use statistical relationships between those source profiles and the ambient data to attempt to do source apportionment and understand the relative importance of gasoline and diesel emissions in Los Angeles. The next slide shows the scope of the study, where there were measurements made onroad, on different freeways in the LA basin and different locations that were dominated by different sources types, along the ports of LA and Long Beach, where there are a lot of diesel emissions. There was sampling done over toward Venice Beach and Santa Monica area, where there would be a strong influence of gasoline emissions. The circles, the

mobile samplers. I just wanted to show you this slide to give you the extent of the measurements that were made throughout the basin, and this was done during the summer of 2001. The next slide gives the features of the study. First, it was studied - the study was performed in the LA basin during the summertime, and as a result, we didn't obtain what I call cold-cold start emission. Those are when cars actually start up at temperatures colder than about 72 degrees. In our studies that we've been doing over the past 10 years or so, we've observed that PM emissions from motor vehicles are much, much higher as soon as you get cooler temperatures than 70 degrees. So say in Sacramento in the wintertime, you're going to have much higher PM emissions from gasoline vehicles, especially in the cold start, and we've seen that, and that's nothing that the Smog Check can fix, but it's just a thing that

red circles, are where we did fixed-source sampling at AOMD

sites and also some fixed sampling that was done by the

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CHAIR WEISSER:

Yes.

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CHAIR WEISSER: Doug, could you speak up a little bit? DR. LAWSON: Yes, can you hear me better now?

we've been observing with normal-emitting in-use vehicles.

DR. LAWSON: I'll try to speak louder also into the mouthpiece

here, into the mic. Vehicles also were sampled as is.

That is, once we received them in, they were sampled using

California fuels. These data represent the on-road fleet and characteristics of ambient data during the summer of We do know that because of future on-road heavy-duty regulations in 2007 and 2010 that the heavy-duty fleet emissions will be reduced substantially, so the apportionments that you see will change dramatically in the And we've also learned that the emissions are so dependent on temperature and fuel type that the results from the study would be applicable mostly just to Los Angeles in the summertime. The next slide shows the lightduty vehicle recruitment sample that we did, and these vehicles were tested in June of 2001. We actually had 11 vehicles that were light-duty vehicle categories that were tested. Category 1, for example, was newest vehicles with lowest mileage. We attempted to collect four vehicles in that category. Category 2 was a little bit older, 93 to 95 model year, low mileage, up to 75,000. And so we went through and developed a matrix where we could sample new vehicles, old vehicles, some new vehicles with high mileage, new vehicles with low mileage, and old vehicles with low mileage, and old vehicles with high mileage. addition, we - Category 10 is smokers, and we had no age or model year criteria other than that we wanted them to be smoking vehicles. This is where the South Coast AOMD helped us with recruitment. Dean Saito helped us with

recruitment in the categories one through nine, and that was of great help to us. We also tested two light-duty vehicles in Category 11. The next slide shows the sampling or testing that was done using BAR's Smog Check ASM test. All the vehicles that were brought in were actually given a smog check first as a way of conditioning the vehicles and it allowed us to see what their emissions levels were according to the smog check, and I'll talk about that in a few minutes. Once the vehicles were tested over the BAR Smog Check ASM test, then they were moved over to EPA's transportable dynamometer and they were tested over the unified cycle that ARB developed. That's a high speed, very aggressive test cycle, much more aggressive than the federal test procedure cycle. The next slide shows all of the sampling equipment that was used to measure emissions from the light-duty and heavy-duty vehicles. It was the most - up to that time, the most extensive characterization of exhaust emissions that had ever been done, especially on in-use vehicles. The next graph figure shows the lightduty driving cycle that we used in the study and again, it was the unified driving cycle, also called the LA-92, developed by ARB. It had two separate phases in it. had a cold phase. I've got letters in red on that graph. It's roughly 1,400 seconds on the dyno. Then there was about a 10 second soak period where the key was shut off,

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the car was shut off, and then the car was started back up to repeat that 1,400 test second cycle and that was a warm phase. So we had a cold phase over the unified cycle, a warm phase over the unified cycle. The only difference between the two is, the car was started up cold for the cold phase, whereas the warm phase, it started up warm. So if you take the emissions differences between the warm phase and the cold phase, then you can calculate the emissions that are truly attributable to the car being cold, and that's about the only way you can do that. the next slide, then, gives a little story about the vehicles we recruited in the study. The Bureau of Automotive Repair recruited those first nine light-duty vehicle categories that I mentioned. The South Coast AOMD, the contractor to EPA, recruited the smokers and the We had incentives for the program; that is, we offered the motorist \$200 and a free rental car if they participated and gave them \$50 if the vehicle was rejected. We also offered them free repairs up to \$500 if the vehicle failed the Smog Check inspection, and Dean Saito was involved with that portion of the study. Now, in the study, we did recruit seventy-four light-duty vehicles and fifteen were rejected. Of those fifteen, six were rejected because the category was over-recruited or were rejected because of engine or exhaust problems, and three were too

large or incompatible with the EPA's transportable dyno. One had an Two were also rejected for other reasons. engine rebuild and it didn't fit our categories and the other one, the owner brought in his vehicle the wrong day and so we couldn't test it. We also had some interesting things happen with those vehicles that we tested. vehicle overheated on the cold phase of the unified cycle, so those data were not very useful. Another vehicle's brakes caught on fire during the cold phase of the unified cycle, and the fellows doing the testing actually had to use a fire extinguisher to extinguish the fire on the Now, regarding the vehicles that were tested, thirty-three of those vehicles passed the Smog Check test, but twenty-four failed, so it's a higher fraction than you normally see with the Smog Check results, but again, this data set was weighted toward older vehicles. Seven of the vehicles that failed were gross polluters, according to Smog Check criteria. Five of them had been tampered with. And regarding the OBD, there was only - the only 1996 and newer vehicle that failed the Smog Check test on our data set didn't have its MIL illuminated, so it was an OBD false pass, and that's been discussed earlier today. And then two of the vehicles had aborted Smog Check inspections and then two were diesels and at the time, diesels weren't part of the program, so the Smog Check test didn't apply.

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next slide shows the correlation results of PM on the X axis versus regulated pollutants, and this is just from our data set only here with this study. The top graph is for carbon monoxide, the middle graph is for hydrocarbons, the bottom graph is for nox. And looking at the regulated pollutants and their correlation with regard to PM emissions from the vehicles, correlation surprised us, and it was quite good for hydrocarbons data set. That is, as hydrocarbons increased, PM emissions increased. correlation was not so good for either CO or nox, and this is the first study where we've actually seen a pretty good correlation between hydrocarbons and PM. We get more scatter on average generally, but this is the first study where we saw that, and I don't have an explanation for that, other than we did have good correlation. slide, the next three slides, discuss the heavy-duty vehicles, but we will skip those slides because we're not talking about heavy-duty vehicles in this presentation, but Rocky, if you'll go to slide 18, we're going to talk about the second-by-second data from the light-duty vehicles, and now you should be on slide number 19. Slide number 19 -I'm going to show you four slides that give second-bysecond emissions data, and these data are just absolutely amazing to me. It shows what the automakers have done to reduce emissions. Slide number 19, Rocky, is for one of

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the vehicles in our data set. It was vehicle number one. It's a Toyota Camry, and you see the driving trace on the top graph. These are speed versus seconds on the cold phase and warm phase. The second bar or panel is for carbon monoxide emissions. The third one in green is hydrocarbon emissions. The fourth one in blue is nox. The fifth one is PM emissions, as measured by one of our optical devices. And the bottom graph is black carbon as measured by a separate optical method. Now, what I want to show you here is that this vehicle with nearly 50,000 miles on it, which was not certified to an aggressive driving cycle such as the LA-92, is very, very clean in its emissions. You'll see that there's very little CO, very little hydrocarbon, very little nox being emitted. are very low emissions readings, and they emitted pollution during the cold start, and then they emitted pollution when this car goes off cycle or has a rapid acceleration, as you can see around second 900 and second 2,100. You see some peaks that occur, and those are when the vehicle goes off cycle. And then the next graph, if you look at it, what I've done is, I've just overlapped the cold phase and the warm phase of the unified cycle, so you can see where there's consistency with regard to the data. Whenever the blue graph, or the blue lines, show up higher than the red lines, those emissions are attributable to the cold start.

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CHAIR WEISSER:

Wherever they match between the cold phase and warm phase, you can see that the data are reproducible. The car is doing the same thing all the time. And again, the emissions for normal emitters come from the cold start and they come from when the car goes off cycle, and again, this is for a car that was not certified to this aggressive a driving cycle. This is a 1995 car; the more aggressive cycle started to happen in 1996 and later. So again, there's not much - the cars produce practically no emissions, except during these few seconds before the CAT light's off and when the car goes off cycle. Again, an I/M program is not designed to capture those emissions.

I'm sorry, could you repeat that, Doug?

DR. LAWSON: The vehicles are producing emissions - this car, for example, the small amount of emissions that it produces, an I/M program cannot capture because those emissions are when it goes in cold start or when the car goes off cycle and I/M doesn't test those conditions.

CHAIR WEISSER: Doug, could you just define for me what size particulates you include in the PM emissions chart and the black carbon emissions?

DR. LAWSON: Yes, those are generally less than PM 2.5, and what we see for gasoline vehicles, the median diameter by mass is on the order of about 2/10 of a micrometer in diameter.

The number count has a smaller diameter because of the

nanoparticle emissions, so we have a lot of nanoparticle emissions that are much smaller in size, but they don't constitute a very large fraction of the mass, and so more mass comes out a little bit larger, but these are all less than, generally, PM 1, if you will, and the PM is a - these are both optical measurements for PM. One of them uses light scattering. I don't have time to go into detail. The black carbon uses a sound system where particles generate sound waves and the sound waves are caught by a microphone. It's quite elegant, the method, and it measures black carbon. Does that answer that question?

CHAIR WEISSER: Yeah, does.

DR. LAWSON: The next slide

LAWSON: The next slide we go to, slide 21, is of a Jeep Cherokee, another vehicle again about 50,000 miles. And you can see here that this vehicle does not go off cycle for CO and hydrocarbons as the Toyota did and that its emissions are also very, very low. It has some different characteristics. It emits different - so I divide CO by 10. And so I treat each vehicle as if it's an entity polluting the air and I combine all three pollutants, so again, the emissions reductions are the sum of non-methane hydrocarbons plus a tenth CO plus nox. And I've plotted the emission reductions in this data set versus the repair costs of this data, and I have three symbols. The OBD failures, the cars that failed by OBD only, there are 40 of

Those are the blue circles. Then the red square represents the cars that failed OBD and IM-240 and there are six of them and they're the red squares. there are two cars that failed - or trucks - that failed with IM-240 only, and they're the green triangle. I've also drawn in here the Smog Check repair cost waiver of \$450, and when you count all the dots, fifteen vehicles out of the forty-six - I'm sorry, forty-eight - fifteen out of forty-eight had repair costs greater than \$450. you use that \$450 cost waiver, a third of them would either not be repaired or would have exceeded the cost limit. You'll also note from the graph that the highest repair costs can be attributed to OBD repairs. The greatest emission reductions, however, come from IM-240, and you can see that very clearly on this graph. Slide 39 presents the data in another way. The top graph are dollars per gram emission reduction, and again, the gram emission reduction is the sum of hydrocarbons plus a tenth of carbon monoxide plus nox, and we see that the cars that failed OBD, and there are forty-six of them, the dollars per gram emission reduction was about \$500 per gram, and I'm summing up all of the emissions reductions from all of those forty-six vehicles. IM-240, the costs in terms of per gram production is about \$80, so you have about a factor of eight between about a factor of six between the two. So it costs about

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six times more per gram for OBD failing cars than it does IM-240 cars. The bottom graph shows even more dramatic differences, where I've broken them out into three separate The blue bar is cars that failed for the MIL groups. illuminated only, the blue crosshatched bar is for cars that failed the IM-240 plus OBD, and then the green bar is for the cars that failed the IM-240 only. You'll see here in this data set that the cars that failed with the MIL illumination only, the cost is about \$1,100 per gram, as opposed to costs of about \$80 per gram for the OBD plus IM-240 failures or the IM-240 only. The next graph shows how much it costs per repair. Again, what we have here are grams reductions, the sum of un-methane hydrocarbons plus CO plus nox, and what we see here is that the average emission reduction per repair is about one gram for the forty-six cars per repair. The OBD, however, repairs them - we get a four-gram per repair efficiency. Now, if you look at the bottom graph, it's even more dramatic when you look at the cars that failed the OBD only without the MIL illuminated, and you only get about a third or 4/10 of a gram per repair reduction as opposed to the cars or trucks that failed the OBD and IM-240, or IM-240 alone. I realize these are a lot of data to be presenting quickly, but we just don't have much time, but I just wanted to show the differences between these. This next graph is a summary

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data table of all of these vehicles that are in this data set for which we have pre- and post-repair FTP data. were forty-six cars that failed the MIL and OBD. repair costs of those forty-six vehicles was \$20,000. total repair costs of the cars that failed the MIL plus IM-240 in that next graph, Rocky, which is slide 41, is There were two vehicles that failed the IM-240 but didn't have their MIL illuminated. It cost a total of \$736. And then there were forty cars who had their MIL illuminated, but they didn't fail the IM-240, and their total costs are \$19,000. So now you can compare the cumulative emission reductions or cost per repair. right hand column is quite dramatic. This is the repair effectiveness in terms of dollar per gram reduced. plus OBD - the MIL and OBD failures cost about \$500 per If you have a car that failed the IM-240, whether the MIL is illuminated with it or not, it costs about \$70 or \$80 per gram. And for the vehicles who have a MIL illuminated but haven't failed IM-240, it costs about \$1,100 per gram. We've got nearly an order of magnitude difference in cost between the most efficient versus the least efficient way of getting emission reduction. next graph is quite revealing. This graph shows - what I've plotted is the emission reductions, again, hydrocarbons plus CO plus nox, between the pre- and post-

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repairs. I've rank ordered those emission reductions from cars that obtained the highest emission reduction to the cars that obtained the least emission reduction. a number of cars and trucks in the study whose emissions actually increased after repairs, and those are vehicles forty-two through forty-six on the right hand part of the You'll recall also that there were two vehicles that OBD missed. Now, what again is, I've ranked these cars from greatest emission reduction to least emission reduction and once I do that, then I calculate the cumulative emission reduction. And you'll see with that blue line that starts on the left and then goes up to the top, and I can't point that out remotely, but what we see is with only four vehicles in the study, we get half of the emission reduction. So again, just let me repeat: only four vehicles in the study produced half of the emission reduction, and that's what that solid line represents. Also, I've got something written in red. Recall that two recall, if you will, that the OBD missed two vehicles. turns out that their emissions were quite high, and so when you look at what OBD missed, plus the five vehicles in the data set whose emissions increased after repairs, you have to actually - what you do is, you lose benefit from thirty-In fact, I made an error. That should be thirty-six out of forty-six failures, because you had OBD missing two

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vehicles and then you had some increased emissions after So just to explain this a little bit more clearly, there were roughly thirty-six cars failed in the study whose emission benefit was offset by the two that were missed, plus the cars whose emissions increased after repairs. So roughly 3/4 of the money that was spent on repairs in the study went to no net benefit to air quality, because you had OBD missing some high emitters and then you had a few cars whose emissions increased after repairs. Slide 43, our findings. Under ideal conditions - remember, this high mileage study separated the motorist from the technician, so it's a completely government-run program. We have to mention that. So this is totally ideal, where the motorist was removed and the technician knew that his or her work is being monitored. Repairs from eight vehicles failing the IM-240 did capture 81 percent of the OBD reductions, so it's true that OBD did capture more of the reductions, as EPA said in their report. However, the most expensive repairs were from the OBD repairs. largest emission reductions, however, came from the vehicles that failed the IM-240. Half of the study's net emission reductions came from less than 10 percent of the vehicles, and the OBD false passes plus the net emission increases meant that thirty-six out of the forty-six repaired vehicles produced no net improvement to air

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quality and that roughly \$15,000 out of the \$20,000 was spent on repairing vehicles with no benefit to air quality. I'm going to discuss one other issue that concerned the National Academy of Science Committee, and that's this lack of overlap issue in slide 44, Rocky. We'll go to slide 45. These are data selected from Colorado's IM lengths, and in Colorado, we use a centralized IM-240 program. The repair costs in Colorado average \$285, and those are self-reported data, and we get those data from only about 13 percent of all failing vehicles. So again, I can present more information on repair cost. Repair cost data from states are not very good because it's self-reported. The data are really quite incomplete, and then you don't know when the data are self-reported if they've fudged and they've gone high or low with the numbers, but at least in Colorado, our average repair costs are \$280. Now, this is a severe It's been observed in every state, every state problem. where there's an emissions tailpipe test given and an OBD. Back in a two-year period between July 2000 and the year 2002, there were roughly 600,000 vehicles that came in for testing that were 1996 and newer during that two-year period. And the good news is, there were very few failures from those cars because they're built so well and they're so clean, but the bad news is, if you look at the large oval that's white, about 8,700 of them failed with the MIL

The oval that's shaded in kind of a pink, there were 1,200 of them that failed the IM-240, but only two-hundred sixty-eight vehicles failed both tests. You'll observe also that there were eighty-four vehicles that failed the IM-240 whose MIL was commanded on, but it wasn't on. then in this data, also there were 3,100 vehicles in the lower oval in the lower left whose MIL was commanded on, but it passed all the visual and exhaust tests given in the Colorado program. Now, I've done some calculations with the data from this data set, and what we get for emission reductions is, all of the emission reduction benefit that comes from the MIL on comes from only those two-hundred sixty-eight vehicles that failed both tests, and so these data - we were very concerned, the National Academy of Science Committee, when we saw these data, and this has been repeated in other states, so it's just not a Colorado phenomenon, but you could do it in California. We've seen it in the state of Oregon, state of Wisconsin. Every place that does emission testing and OBD testing, there's very little overlap between cars that fail the MIL and fail emissions test, as one of your Committee members mentioned earlier today. We thought that perhaps the lack of overlap problem would go away as the vehicles, their OBD systems, got better, so if you go to slide 46, Rocky, this is information obtained in a two-year period running through

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January 2003 to December 2004. This data set is 883,000 vehicles, nearly 900,000 vehicles, 96 and newer, again in Colorado. These ovals are not drawn to scale. And what we see here is, again, there's good news in that there are very few failing the tests. That's the good news. news is, the lack of overlap issue is more severe than it was before because you've got more cars that are failing with the MIL on, more cars that are failing the IM-240 test, but there's very, very little overlap between those So all of the emission benefit that you get from the program comes from the cars that fail the exhaust test, and so we've written up a couple of documents that show fairly clearly that if you go with an OBD only program as part of I/M, that air quality will get worse because OBD is missing the highest emitters. So the last slide, slide 47. is the last slide in my presentation. Regarding this lack of overlap problem, OBD serves as a great early warning system to the motorist that something might be wrong. However, it is far too stringent. The cut points were set way too stringent. Shouldn't have been done that stringently, in my opinion. OBD, MIL testing, and an I/M program fails many more vehicles than does tailpipe testing because the OBD standards are far more stringent than exhaust cut point. And in an I/M setting, as I mentioned earlier, an OBD only inspection and repair program will

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CHAIR WEISSER:

CHAIR WEISSER:

Is this any better?

that, I'd be glad to answer any questions.

Committee get that? Well, let's go back, Doug.

DR. LAWSON: Mr. Weisser, can you speak up just a little bit,

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DR. LAWSON: Yes.

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CHAIR WEISSER: Okay, first, Doug, where do these studies stand

worsen air quality over the near term rather than improve

it, given that the highest emitters are missed by OBD,

while OBD identifies many marginal and low emitters with

little emission benefit at large cost to society. And with

Whew. Everybody in the audience and on the

13 in terms of peer review?

please, for me?

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DR. LAWSON: Regarding the gas-diesel split study, we have submitted a total of six papers for peer review, and those papers regarding the results of the gas-diesel split study are now being peer reviewed. They've also gone to ARB and EPA, the draft final reports, for their review and comments. We've also sent them to industry groups for their review and comments, so again, what we see with gasdiesel split, it's showing that high-emitting gasoline vehicles are very important to contribution of bad air quality in Los Angeles. And to answer that question, that's being peer reviewed. Regarding the EPA report on the high mileage study, that paper was peer reviewed, and

DR. LAWSON:

Rocky.

MR. CARLISLE: That's going to be 28.

I'm going to be, and maybe one other person, will be writing up a response to a letter to the editor, because we get some quite different observations and findings from the EPA results, so in my opinion, I don't think it went through very good peer review.

CHAIR WEISSER: And do you anticipate, on the first study, the split study, getting something back from ARB and EPA?

DR. LAWSON: Yes, we've already received comments from ARB, and if ARB consents, I would be glad to share those comments.

They were very good comments and will improve the quality of the papers and reports and so forth. But again, as I mentioned, Vic, these papers are going through the normal process of peer review and whatever comments we get, we welcome, because they will make the final product even better.

CHAIR WEISSER: It seems to me the implications of the analysis are huge in terms of the direction of the state's diesel particulate - I should say particulate - reduction measures, which have been aimed mostly to date, I guess, at heavy-duty vehicles and off-road vehicles. I didn't realize that such a significant amount of these diesel - these particulates are coming from light-duty vehicles.

If you can go back to slide number -

Yes, if you will go back to slide - let's see,

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Let's see, slide number 30. Slide number 30, the DR. LAWSON: one group did apportionments in different parts of the LA basin, Vic, and so what was observed in the ports of Los Angeles and Long Beach was that most of the PM observed there was actually from diesels, because there's so many diesels around there right near the port, loading and unloading. But if you go to other parts of the basin again, this is a real interesting thing from the study that we actually observed, that in places where there are a lot of on-road diesels right now, that there's a significant contribution coming from diesels, but once you get away from those locations where there are tons of diesels on the road, because there's so many more light-duty vehicles driving around relative to diesels, then the contribution coming from gasoline vehicles is very much more important. And so if you're on Venice Beach on Saturday or if you're at the Rose Bowl after a soccer game, or maybe in a residential area in urban Los Angeles, then you're getting a lot of PM coming from spark ignition vehicles.

CHAIR WEISSER: Do you have a sense - did you do an analysis of what aspect of the combustion cycle is contributing to the particulate formulation?

DR. LAWSON: Yes, we see from those second-by-second data that for normal emitters, the PM comes from either the cold start or where the vehicle goes off cycle; that is, when

you put the pedal to the metal.

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CHAIR WEISSER: Let me rephrase the question, Doug. Is this PM being formed by the combustion of the gasoline or by oil intruding into combustion chambers?

DR. LAWSON: Well, you've answered our next research project that we're starting to undertake and we're hoping that we will be able to collaborate with ARB and the South Coast AQMD on that, because it's been so politically difficult to address the high emitter. And we've known about high emitters since they were first reported to ARB back in 1983, and nobody still - there's no high emitter program anyplace in the country yet, so it's a difficult political problem. We're wondering whether or not, if we can do anything about reformulating lube oil to reduce the ash and PM that would come from lube oil and thereby reduce the PM emission, so we're going to embark upon a research program over the next two to three years with other agencies and industry groups to understand if anything can be done to lube oil to reformulate it to reduce PM emissions and go after the source rather than try to deal with other things, since we're not dealing with high emitters effectively.

CHAIR WEISSER: Once again, on the PM split study, the sample size is modest, I'm sure, due to -

DR. LAWSON: It's very small.

CHAIR WEISSER: So how confident can you be in this data,

considering?

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2 DR. LAWSON: Well, that's a great question. That's why we 3 weighted our sample set toward older vehicles, because 4 again, the likelihood of a car being a high emitter is 5 greater for older vehicles or high mileage vehicles than it is for new vehicles. And when we started the study, we 6 7 didn't know very much about PM emission, and thanks to Dean 8 Saito when he was at the BAR, he really was a great 9 assistance to us in helping recruit these cars. 10 very, very expensive to recruit these cars, and this is a 11 multimillion dollar study, Vic, and we spent probably three 12 quarters of the money in the study on testing vehicles 13 rather than doing the ambient sampling. It costs a ton of 14 money to test cars, and this is the biggest, best data and 15 most comprehensive data set that we have anywhere up to 16 this point on light-duty vehicles. Now, we're doing a 17 study in Kansas City with the EPA and industry groups and 18 Federal Highway Administration where we've recruited 500 19 vehicles, and that'll be of use to EPA's mobile model and I 20 think ARB will use it too, but the point being, this is the 21 best that we could do with the dollars that we had. 22 if you're trying to capture where most of the emissions 23 come from, you want to emphasize an older fleet and 24 emphasize higher emitters, because a high emitter can emit 25 as much as 1,000 times the PM that a clean car emits today.

So you've got to understand that part of the tale of the distribution very well.

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CHAIR WEISSER: Is the fact that the data sample from the study is five years old - in other words, the cars are - they're older, they're not the most modern of our fleet now. Does that have any implications, considering what you've just said? I mean, it seems to me it doesn't, that, you know, you're still most worried about the older, higher-emitting cars.

DR. LAWSON: Well, I don't know if you've seen present - I think you might have seen them in the past, Vic, and I know that other - I know that Dennis DeCota has seen them in the past, when I was consulting to the Committee before, but what we see with high emitters is that they're not being removed from the road. The I/M programs miss them because people cheat and find ways to get around it, because of the economic incentives to pass rather than fail. And so I could show you, which I don't have in this presentation, where we have three-dimensional what we call quintile or decile plots, but the high emitters continue to be forward and found in the fleet with time and they don't go away. And the largest number of high emitters are found at about ten years in age and they've always been at ten years in They're always found about ten years in age. the maximum number per model year, and we've found also

that on average, the oldest part of the fleet is pretty clean, so that explains very perfectly why we're having so much trouble attaining the air quality standards, because we're not controlling in-use emissions, and moreover, for ozone. When you reduce nox emissions, it makes ozone worse, as we've documented very closely in California (overlapping).

CHAIR WEISSER: Let's not go there today. Thank you, Doug. I have one more question before I'm going to open to other members of the Committee, on slide number 7.

DR. LAWSON: Seven?

CHAIR WEISSER: Yeah, there's some jargon that I don't have any idea what it means: maximum amount of secondary carbonaceous PM formed.

DR. LAWSON: Okay, yes.

CHAIR WEISSER: What does that mean in English?

DR. LAWSON: Yes, when we designed this study, I wanted to make it the most difficult study we could for the people that do the source apportionment, and that is, in the summertime in Los Angeles, that's the maximum period of photochemical activity, the highest ozone, and we also know that's the time of year when there's the largest amount of secondary particles that are being formed in the atmosphere. And so when you have a lot of secondary carbonaceous material being formed in the atmosphere, it makes the apportionment

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more difficult, because you have more mass chemically that's being sampled in the air. And so if you go back if you were to go back to those bar charts, you can see there's a significant amount of the PM that's not attributed to any of the sources that are mentioned there because we don't have enough information as to what's forming that other component. So I wanted to make this the most difficult, challenging job we could for the source apportion by doing it in the summertime, when cold-cold start emissions are non-existent, because the cold start is very important in the wintertime in LA. And secondly, in the summertime in Los Angeles, there's a lot of secondary organics being formed and it makes the apportionment very difficult. So I made this study the most difficult that we could do to do source apportionment. It would have been easier retrospectively, looking out the back window of the bus, to have done it in the wintertime, when you have much higher cold start emissions and much less photochemical

CHAIR WEISSER: Very good. Let's start asking questions from other members of the Committee and we'll start from my far right. I think the first questioner is - Dennis, is your microphone up?

|| MEMBER DECOTA: It's (inaudible).

CHAIR WEISSER: Okay, Jude.

activity.

MEMBER LAMARE: Thank you, Mr. Chairman. Jude Lamare. considering PM emissions - the take-home message here might be that considering PM emissions, there's even more incentive for clean air advocates to get high emitters removed from the road. Clearly, for me, I've been pondering, well, how do we take credit for PM emission reductions on the light-duty side? It's still a mystery. It appears that Smog Check really doesn't help us with PM emissions. If it does, then we certainly would want to count for that in the Smog Check program, but I did look a little more closely, since our last meeting, about the inventory and where the inventory is and what ARB is proposing to do about PM reductions, so I'm going to ask Rocky to hand out to the members of this Committee some of this information for our background purposes. First of all - I need to go over it first, then I'll give it to you at the break, so that -

MALE: When's the break?

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MEMBER LAMARE: After lunch. First point is that PM, fine particulate matter 2.5, on-road mobile sources are only four percent of the total emissions of PM 2.5, so obviously when ARB goes about preparing a plan for particulate emission reductions, which they have done, there's very little in -

COMPUTER: This conference is showing no activity. If you'd

like to continue the conference, press star one now.

CHAIR WEISSER: Hang on, Doug.

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MEMBER LAMARE: There's very little in that plan, Proposed List of Measures to Reduce Particulate Matter that was released about a year ago, that deals with light-duty. measure that does deal with light-duty says, replace or upgrade emission control systems on existing passenger vehicles, pilot program for nox and VOC, and the proposed date for Board consideration was 2005. So I think the Committee might want to hear from ARB at some later date about how are they evaluating that control measure today and is there a plan at ARB about reducing in-use light-duty particulate matter and accounting for the emission reductions that we're getting? The inventory numbers show that diesel PM and light-duty PM 2.5 are about the same were about the same, as Dr. Cahill was saying last time, that what these studies are showing on the road and when you look at their actual impact, is that diesel and lightduty emissions of PM 2.5 are about equivalent out there on the road, and so just focusing on diesel PM probably doesn't make a lot of sense. However, I would point out that ARB's motivation in doing so has to do with diesel PM being a toxic air contaminant, and they have a very strong mandate to reduce toxic air contaminants, and the lightduty PM has not been evaluated in the same way. So just a

little bit of background and explanation as I saw the PM issue in existing ARB inventory and planning documents, and I'll make that available to the Committee. Thank you.

CHAIR WEISSER: Has the light-duty PM been evaluated to determine whether it's a TAC?

DR. LAWSON: I could answer that question.

CHAIR WEISSER: Go for it, Doug.

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It hasn't been done on the state of California DR. LAWSON: level. However, we funded a study about three or four years ago, and I could share the overall results or reports from the study, but all we observed was that looking at the comparative toxicity of emissions - now, I'm not a toxicity health effects expert, so this is outside my area, so I'm just repeating the results of the work, but it showed very clearly that depending on the measure of toxicity that was used, gasoline toxicity and the PM and semi-volatiles was equivalent to that from diesel. Moreover, as a vehicle became a higher emitter, the toxicity of the exhaust became even more toxic relative to the amount of toxic outcome per unit mass, meaning that high emitters were not only emitting more PM and SVO, semi-volatiles, to the air, but the relative toxicity of that exhaust from the high emitters was worse on a mass per unit basis. So that's led us to suspect that perhaps lube oil is causing the problem here.

CHAIR WEISSER: Thanks, Doug.

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DR. LAWSON: (Overlapping) the inventories that Jude mentioned -The reason we're doing this big study with EPA right now is, EPA does state publicly in meetings and different testimony that they do not have any smoking vehicles or high emitters in the mobile model. So it shows very clearly that the inventories that are being constructed nationwide - and I would have to assume this has to be for California, because the models are not all that different from one another - that mobile emissions from spark ignition are being grossly underestimated by the models. But again, if you look at those inventories - I'm sorry, those source apportionment studies - that I was reporting there, you'll see that the apportionment of materials to their sources are different from what the inventories say. So the real world studies always and consistently have shown differences between what we see in the air and what we see in the inventory.

CHAIR WEISSER: Oh, how interesting. Dennis?

MEMBER DECOTA: Yes, Mr. Lawson, Dennis DeCota. How are you?

DR. LAWSON: Fine, Dennis. How are you doing?

MEMBER DECOTA: Good, thank you - testing of the 60 light-duty cars. You seem to have witnessed an excellent correlation between HC emitters and PM emitters.

DR. LAWSON: Right.

DR. LAWSON: No, we didn't. I really haven't had time to go back and look at them to see if they appeared on the high emitter list, per se, if that was your question, Dennis.

MEMBER DECOTA: It is my question.

DR. LAWSON: Yeah, and so I didn't do that. I will say also that this is the first study of maybe two or three that I'm aware of where we've seen such a good correlation. Other studies, we don't see the correlation that good between hydrocarbons and PM.

MEMBER DECOTA: Is that something, at least on the, you know, the major offenders, the four vehicles, that could be done easily?

DR. LAWSON: Ask me again, please. I didn't hear well.

MEMBER DECOTA: Can you try to take and determine the correlation between the worst offending, the four worst offenders, and see if they are on the BAR's high emitter profile list?

DR. LAWSON: Yes, I'd be glad to do that, if I had somebody from BAR that I could work with.

MEMBER DECOTA: I'm sure you do.

24 | DR. LAWSON: And I could do that -

MEMBER DECOTA: They're nodding their head affirmative.

CHAIR WEISSER: They're just nodding. One of the issues here, of course, is the sample size, which, you know, whether they're on or off is - it'd be interesting, but it's certainly not -

MEMBER DECOTA: Four basic vehicles created 80 percent of the emission issue, right?

CHAIR WEISSER: Yeah, but they - those four vehicles. I mean, I don't object to you asking the question or anything. I'm just not sure that the answer is going to be helpful. What would be helpful is if in fact, there was a useful HEP that could be aligned with this sort of, you know, of, you know, analysis. That, I think, is the underlying question.

Maybe I'm wrong. Please continue, Dennis. I'm sorry to be -

MEMBER DECOTA: No problem. I feel that you feel - I just want to clarify this. This waiver issue as it exists today is basically hurting our ability to reduce emissions greatly.

Is that not correct?

DR. LAWSON: That's correct. I guess if I were king or ruler, I would do away with the cost waiver limit altogether, because it seems like it's silly to have society spend so much money to inspect so many cars and then excuse or waive some out of the program because you've had a cap. Note also the data from the EPA high mileage study that a third of those cars exceeded the \$450 cost repair limit.

MEMBER DECOTA: I understand. That's my next question.

California's \$450 cost limit has the ability to be ratcheted up with an inflator index. In your opinion, should we be addressing those issues of increasing those repair cost issues from the present \$450?

DR. LAWSON: Yes, Dennis, in my opinion, you should. With Dr. Williams, though, as he would tell you, when you increase cost, then demand decreases, so there may be added incentives for people to avoid or cheat once they fail, so we don't have much information on that. Now, Colorado, where I reside, we did increase the cost repair limit from around \$250 up to \$700 about three years ago, and there are some limited data from the state, I think I'd mentioned to Rocky Carlisle the last - maybe on a meeting where I participated by phone. And unfortunately, that sample size is so small of vehicles that get repairs, we don't have a whole lot of information, but whatever is available, I think at least the state of Colorado would be very willing to share with California.

CHAIR WEISSER: I should interject, Dennis, earlier in the day, we had a discussion on the, you know, the item you just went over and we were asked by BAR what do we want in our question to them regarding the waiver limit. I kind of delineated the sort of things that we're interested in seeing in writing from BAR. And (inaudible) I swear and

promise that I had no conversations with Dennis DeCota prior to him walking in the room, and he's coming at this de novo and it shows some level of interest in the issue, so please proceed, Dennis.

MEMBER DECOTA: And my last - I think my last question is, have you any method of determining whether the PM particulates from motor oil have the same fingerprint as that of synthetic oil?

DR. LAWSON: That's a very good question, Dennis. We are actually - in our study that we're putting together, we are actually going to take a look at mineral oil-derived lube oil versus synthetics, and see if we can get some information on differences in composition as well as emissions from both clean vehicles and high-emitting vehicles to see if there's any difference on that. So we're kind of pushing the level or the envelope on that, but we want to try to understand if synthetics can help the issue.

MEMBER DECOTA: I appreciate you addressing my questions, and it's good to hear from you.

DR. LAWSON: Thank you, Dennis. It's good to hear from you, too.

CHAIR WEISSER: Thank you. We'll go to Mr. Hisserich.

MEMBER HISSERICH: Yes, how do you do? John Hisserich. On slide number - oh, I thought I pushed it. On slide number

30, there -

DR. LAWSON: What was the slide number again?

MEMBER HISSERICH: Thirty, 3-0, the carbon contributions to total carbon at various sites.

DR. LAWSON: Yeah.

MEMBER HISSERICH: Could you bring that - it's hard to see in the book. Rocky's looking for it. I just want - the difference between the upper set of data and the lower set of data is? Again, I wasn't quite sure what those distinctions were.

DR. LAWSON: Yes, those are two different competing methods that are being used by researchers to characterize particulate carbon.

MEMBER HISSERICH: Okay.

DR. LAWSON: And they're both competing. There's a lot of emotion about which group is right, and so I call it Carbon Wars, and one of the groups' method is called the improved method.

MEMBER HISSERICH: I see that now.

DR. LAWSON: And it's based on the ambient monitoring network that's run by the National Park Service. The STN network is operated by EPA and it's also a national ambient network that's being run nationwide. Each of those two monitoring networks uses a different method for analyzing elemental and organic carbon, and as you can see, depending on which

method you use, you get different apportionment results.

MEMBER HISSERICH: But they're not wildly different. I can see that. Let me just ask now, on each of those graphs, the part that is white would still be carbon; that is from the residual from other sources. Would you assume that that's from stationary sources or what?

DR. LAWSON: Well, that's a good question. Because we did this in the summertime, a significant amount of that aerosol that's formed in the PM 2.5 is secondary; that is, it's not directly emitted. And so it's my technical, personal feeling that a good amount of that that's unidentified or residual is probably coming from mobile sources; that is, it's coming from gas or diesel, but we don't have enough information on this. Remember, I did this in the summertime when it would challenge the people who were doing this to the max, if you will.

MEMBER HISSERICH: Right.

DR. LAWSON: And had we done this in wintertime, there would be far less residual and even more attributed to spark ignition, because the cold start really influences cold start - cold temperatures really influence cold start emissions from gasoline.

MEMBER HISSERICH: Well, and one that's interesting to me is the Azusa on Sundays, which is not - it's an area that during the week has some industrial activity, although somewhat

we know to be immobile sources on Sundays. Seemed interesting to me. And let me ask you as well, the ones that you did - for example, Venice on Saturday and Rose Bowl on Saturday, those were intended to be - or to damp out the effect of industrial sources, I guess you could say, for lack of another term or what? I was just trying to -

spread out, but that the readings are somewhat low for what

DR. LAWSON: Yes, that's a great observation. It was to do that as well as test the sensitivity of the models, because intuitively, if you're over at Venice Beach on weekends, there aren't going to be many trucks lumbering around over there.

MEMBER HISSERICH: Right, it's cars.

DR. LAWSON: And at the Rose Bowl, this is a Rose Bowl Saturday night soccer game. There are not many trucks in the Rose Bowl parking lot; rather, motorists starting up their cars after the soccer match ended. So this is a good way to test the sensitivity of the models to see if they're responding the way you intuitively would think they would.

MEMBER HISSERICH: And were there -

DR. LAWSON: Also, this observation of maybe lower contribution on Sunday is what we've observed from our weekend ozone studies. We see much different and lower, especially truck traffic and bus traffic on weekends, and we now are using

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these weekday-weekend studies to apportion PM, given that we see - and we've done vehicle counts in the LA basin to document that, so it's a very powerful tool that we have for doing apportionment studies and to try to verify emission inventories.

MEMBER HISSERICH: And did you take readings, presumably, at the Venice site and the Rose Bowl site and so on during the week?

DR. LAWSON: No, because that was mobile measurements. These are mobile measurements that were done and we just had one vehicle and just a limited amount of time, so we just picked those sites of interest.

MEMBER HISSERICH: Just sort of to calibrate against, I guess you could say.

|| DR. LAWSON: Yes.

16 | MEMBER HISSERICH: Okay, thank you.

DR. LAWSON: You're welcome.

CHAIR WEISSER: Thanks. We'll go to Jeffrey.

MEMBER WILLIAMS: I have four questions, one on your first presentation and three on the second. Let me ask the first question about the first study. There seems to be no information here about how long the particulate matter stays in the air. When you talk about Rose Bowl on a Saturday evening, I presume that no truck -

DR. LAWSON: I'm having trouble hearing the question.

MEMBER WILLIAMS: I'm trying to understand the lag effects in this study, which I would exemplify by saying, when the data for the Rose Bowl on Saturday evening, how much does it matter that some diesel truck went by on Thursday afternoon? I guess you're saying zero.

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That's a good question. During these studies, what DR. LAWSON: we've observed is that one could be very interested in the amount of carryover that might influence what you're measuring in the air. However, in these what we would call a microscale study, such as measuring the air in the parking lot at the end of a soccer game or whether you're over at the beach on a Saturday afternoon, you're really measuring what's fresh and newly emitted, and that's going to totally dominate whatever might have been carried over, even from preceding hours, let alone days. So we feel confident about those findings from the perspective that these are microscale phenomena and you're probably 95 percent or even higher of what's being measured is directly emitted at that site from just the few minutes before the measurements were taken.

MEMBER WILLIAMS: There is something intrinsically interesting about the carryover effects, nevertheless, right?

DR. LAWSON: Yes, and that's why some of these neighborhood sites are very interesting. For example, the San Dimas monitoring site is what I would consider a neighborhood

residential site, and it's a central basin site, and it has everything that's been going on in the atmosphere not only that day, but from prior days, and you see there when it's all mixed and mushed up and everything else and allowed to react photo chemically and you have deposition that's occurring as well, about half of it's coming from gas and half is from diesel.

MEMBER WILLIAMS: Let me ask about the OBD II study now. The first is a technical question about slide number 38, where you've summed the hydrocarbons, the nox, and one tenth of the carbon monoxide to get one index of pollution. I appreciate that the main reason you're doing this is that putting three different axes with each pollutant plus the cost involves a four dimensional graph that you haven't, or anyone else invented yet, how to display. My question is simply, how well known is this waiting index of one plus .1 plus one?

DR. LAWSON: Dr. Williams, this is fairly common amongst those who do this work. Now, when I did the consulting for the I/M Review Committee ten years ago, I would present graphs of each individual pollutant, and that's insightful in and of itself, but what we have is, when you have a car that tends to be running rich and then lean it out, then the hydrocarbons and CO drop and the nox increases. If it's running lean and you decrease the noxins, CO and

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24 25 hydrocarbons increase. So you've got an inverse relationship that takes place between and among those pollutants and given that each car itself is an emitter of all pollutants, I have defaulted and just gone to looking at all this aggregate of the three. I could produce very easily a graph that would show by individual pollutant.

The message really wouldn't be very different.

MEMBER WILLIAMS: Fine. I'm just confirming that this is a standard technique, cause I hope to use it too.

DR. LAWSON: Yeah. What you would probably see is that there would be a few more negative values for the individual pollutants, because remember, some go up and some go down.

MEMBER WILLIAMS:

DR. LAWSON: That's why I like to sum the three.

CHAIR WEISSER: Jeffrey, let me - Jude has something to interject right on point. Jude?

MEMBER LAMARE: If I could, I'm troubled by why you would include CO, since we don't have CO violations in California and it plays a very minor role in our pollution control strategy, so. And it is large in terms of mass, so if you're doing - if this chart reflects quite a bit of the CO that's emitted and then fixed, do you get a different message if you look just at hydrocarbon and nox?

No, we wouldn't, and let me tell you, the reason you include - the reason I include - there are a number of

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photo chemically reactive, and so it does contribute to formation of ozone and there are reactivity scales that have been created by ARB that show that, so that's the first reason, is it's a contributor to ozone. Secondly, there's a researcher from UCLA who's documented some correlations between ambient carbon monoxide levels and something having to do with births, and again, I'm not a technical expert. So people are still looking at impacts of CO on human health. Third reason is that what we observe is when a car is high in CO, it is almost always high in hydrocarbons. Now, the inverse isn't true; that is, a car can be high in hydrocarbons, but not be high in CO, because of misfires and things like that. So that's why I include - those are the three reasons why I include CO in this equation. It's minimized, also, by multiplying by 1/10. There are people, and you can go back to former reports to the I/M Review Committee where another consultant would use an equation where they would use 1/7 the concentration of CO, so I include all three.

good technical reasons for including CO. Number one, CO is

CHAIR WEISSER: Thank you, Doug. Let's go back to Jeffrey.

MEMBER WILLIAMS: This same diagram has a good way of looking at some of the extreme vehicles, extreme in the sense of pollution, and your main story is that OBD II doesn't pick up all of the -

DR. LAWSON: Hello?

MEMBER WILLIAMS: - does not pick up all the polluters. IM-240 does that better, so my question is, what if we used another mechanism for trying to figure out who the bad polluters are here and call that the fancy device of the odometer, or maybe the model year, which doesn't require a light, I guess, so if you just - if you just explain who's the extreme polluter versus not by mileage, were they all over 250,000 miles among this group of 100,000? Within the group of 100,000, was it the ones that were above 250,000? Was it all the 1996's and not the 98's? Is there any correlation among those standards?

DR. LAWSON: Well, that's a good question. What we've observed in the past, and I didn't do it with this data set, but again, in a different presentation, we showed that the high emitters are randomly spread throughout the fleet, and what makes a vehicle high emitter is lack of maintenance, and it doesn't fit any pattern unless it's a Yugo or an old VW Bug or something like that. But other than that - and I could do those plots if Dr. Williams, you would ask - if you'd give a list to Rocky, then I could go ahead.

MEMBER WILLIAMS: Well, I'm curious.

DR. LAWSON: I've got the spreadsheet developed and I could answer some of those, but essentially these vehicles, the criterion for recruitments of 100,000, the highest mileage

was about 270,000. The median or mean was about 130,000 of these vehicles, but what we see even among high mileage cars, the majority are really quite clean, and that's what this data shows as well.

MEMBER WILLIAMS: So you're saying that some unobserved effect of maintenance is really doing it. I wonder if anyone noted whether the back seat was filled with Coke cans and that's the simplest way of predicting whether or not the car will fail its Smog Check.

DR. LAWSON: Good question, although even in that study, those studies where they recruited and where they try to get cars in, the majority of those cars will pass the Smog Check, even if they have plants in the back seat.

MEMBER WILLIAMS: Let me be a bit more serious with my last question, which concerns trying to salvage OBD II here, its fairly depressing results which you're reporting, that the OBD II sets a failure but really the vehicle isn't in that bad shape. Is there any possibility - I'm not sure the study itself can say - that what OBD II was discovering was that in a few months, there was about to a catastrophic failure of some system.

DR. LAWSON: Right.

MEMBER WILLIAMS: And that's an early warning of a major repair coming, and so the expense of this repair is not as grim as it looks, because it was going to have to be made in two

months anyway, through the person might have ignored the MIL light, but. This is about the only way I can see to salvage good results here.

DR. LAWSON: Well, again, I want to go on the record saying I am not opposed to OBD. I think it's a good early warning system. As I said in one of my bullets, I feel the cut points are set way too stringent, and because they're set so stringent, you get many more failures than you see from the data. You're getting very expensive repairs and very little emissions benefit, but it's a great early warning system. Now, when you've put it into an I/M program, that's where the problem is, in my opinion. So OBD by itself outside of I/M is good as an early warning system, but again, I'm not opposed to - I want you to know I'm not opposed to OBD.

CHAIR WEISSER: Let me interject here, Doug, and indicate that I think we're going to be talking about OBD in a different context at a different point. I would suggest we not spend any - we've gotten a couple of indications of issues that look promising for us to investigate associated with OBD, and I think we can at this point just leave it right there. Are there other questions from other Committee members? You know - I'm sorry, Dennis. Dennis?

MEMBER DECOTA: Yes, Doug, the - Dennis DeCota. This was 1996 and newer vehicles, right?

1 DR. LAWSON: Correct.

MEMBER DECOTA: So they would in most cases, not be candidates for scrappage?

DR. LAWSON: That's right.

5 | MEMBER DECOTA: They need repair.

DR. LAWSON: That's right, and their emissions for the most part are low.

MEMBER DECOTA: And how many of these vehicles would have had nox related repairs driving the HC higher? Do we have any - I know that, you know, the issue of nox and the reduction in nox creates sometimes the adverse effect in raising hydrocarbon emissions, in particulate matter emissions. I would assume this is because the combustion chamber is not completely burning oil and gas.

DR. LAWSON: Right.

MEMBER DECOTA: Okay, because of IE low compression, or anything like that. Is there any - is there any - in your study, is there any type of referencing to the type of repairs that were made to bring these vehicles into compliance?

DR. LAWSON: Yes. I did get data from Ed Gardetto that has a listing of repairs that were made on these vehicles.

MEMBER DECOTA: Would it be possible to send that to Rocky?

DR. LAWSON: Yes, I think I could. I would want to just clarify with Ed that those data are available, but I do know that

he has provided the data to at least two investigators

throughout the country, and I've merged all the data from some fairly complex data sets in a single spreadsheet now. So I would be glad to. I don't see why they couldn't be submitted, because these were obtained by taxpayer dollars, public data.

MEMBER DECOTA: Thank you.

DR. LAWSON: Uh-huh. The repair information is quite intriguing with these.

MEMBER DECOTA: I'm sure it is.

CHAIR WEISSER: This has been really tremendously interesting.

One of the issues that I guess I need to get a handle around is the issue that Jude was approaching, the portion of PM that's coming from mobile sources and then among mobile sources, the proportion coming from heavy-duty diesel versus light-duty gasoline powered vehicles. And an important component of that is, it seems to me, is the public health risk associated with the type of particulate matter we're talking about. Those are issues that I think I need to know more about to understand truly the significance of these pretty remarkable findings in the work that you've done, Doug. So these are things I'm kind of interested in pursuing. I'm also being told that I should become much more interested in pursuing lunch. We have Committee members and members in the audience fainting, but my concern is with Dr. Pinkerton, who's been

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more than patient waiting for us, and I'm wondering whether you want to eat before you go or it's important for you to go and then eat. Which would work for you best, Doctor?

DR. PINKERTON: (Inaudible.)

CHAIR WEISSER: Okay. A wise man, if I might. So I think what we're going to do is take a break, and we're going to have an abbreviated break for lunch. What do you think? Do you think we can do lunch by 1:20? That would give us about 35 minutes and get back here at 1:20 and restart, get Dr. Pinkerton on. We'll then open it up for questions and comments for the audience to cover both of these presentations. Doug, I don't know whether you're going to be able to hang on with us to starting at California time at 1:20. If you can, I'd certainly appreciate it. If not, a transcript is available for you. Doug, I just want to, on behalf of the Committee and the public here, express our appreciation for the thoughtful work that you've done and your willingness to share that work with folks. So thank you very much, Doug.

DR. LAWSON: Thank you, and I appreciate the opportunity to present to the IMRC. It's a great Committee. I'm glad you're doing what you're doing.

CHAIR WEISSER: Very good, so we will now go into recess and we'll reconvene at 1:20 according to the clocks in this room.

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CHAIR WEISSER: We are now back in session. I love this hammer thing. I need it at home. So we're gonna move now to the presentation -

COMPUTER: Doug Lawson is now joining.

CHAIR WEISSER: We'll move now to Dr. Pinkerton. Thank you very much for accommodating the hunger pangs that were impacting our committee. We have lost Gideon Kracov. As he announced earlier, he had to leave early. Dennis DeCota will be back forthwith, or maybe five-with. But let's get started if we could, Rocky. Do you want to do an introduction?

MR. CARLISLE: You betcha. Dr. Ken Pinkerton is currently the director of the Center for Health and the Environment at UC Davis, and in addition to that, he's recently appointed as the associate director of the Western Center for Agricultural Health and Safety. Prior to his recent appointment, Dr. Pinkerton was the principal investigator in the Department of Anatomy, Physiology, and Cell Biology and is also a professor of anatomy, physiology, and cell biology in the UC Davis School of Veterinary Medicine. And he has 20 years experience in respiratory environmental research, so it's our pleasure to welcome you to the committee.

DR. PINKERTON: Yes. Thank you for that introduction and thank

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you to the Chairman and the members of the committee. appreciate the opportunity to talk to you today about some of the health effects, or health impacts, on the respiratory system, of airborne particles. I'd like to begin by just simply discussing the fact that here in the central valley, we really have a lot of different sources for air pollution, especially for airborne particles. Certainly the urban areas, the rural areas, the fact that we have such a large agricultural component within the valley, all of these different sources contribute to airborne particles within our environment. satellite map that I was able to receive that actually just shows the central valley of California, and this was during a time when we had a brushfire in the northern portion of the valley. And it just serves to illustrate the fact that the valley serves geographically as a bowl that allows for the accumulation or retention of particulates within our environment, and that these actually are even greater as we go further south in the central valley and the San Joaquin Valley, due to wind patterns and the retention of materials, especially during weather inversion. This is a map of the United States from the Environmental Protection Agency that just shows different areas around the country looking at the particulate matter of two and a half microns or less in diameter and showing for the various seasons

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where there are areas where there are greater than normal concentrations or the highest concentrations of fine particulate matter. And certainly we can see that in the eastern United States, as well as in California - that really encompasses the central valley as well as the Los Angeles basin - that we typically have the highest fine particulate concentrations in the country during each season of the year. Well, we know a lot about air pollution and how it may impact on health effects, and I must state foremost that many of the epidemiological studies that exist today are what drives our interest in trying to understand these health effects of particles. But there are many statistical tools that have been used to look at human populations, very large cohorts, to be able to identify that there are associations of health effects that are associated with particulate matter, that mortality and illness really track fairly well with the levels of particulate matter with our environment and that there really is a high degree of consistency and coherence among studies. It's important also to keep in mind that health effects associated with particles are not found just locally, but they're found everywhere worldwide. We are really beginning to understand a lot more about the health effects of particulate matter or pollution, and certainly there are questions that we really wish to address, such as

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what are the characteristics of airborne particles that are most important in health effects? Is it the size of the particle? Is it the composition of the particle? about the number of particles that are present? And also, what are the cellular mechanisms that might be involved? Certainly we are aware that people who have certain preexisting conditions of their respiratory system or of their cardiovascular system seem to be more at risk for having an adverse effect when exposed to higher than normal levels of ambient particles. So these may be centered around allergic responses, immune responses. The fact that particles may actually produce a type of inflammation that initiates a set of effects that involve both injury and repair to the respiratory system. There are a variety of biological endpoints that we can use to try to better understand what's going on with the inhalation of airborne particles, and I'm really going to talk about primarily studies that we do in the laboratory, as well as going out into the environment, into the central valley, to try to better understand if there are indeed health effects that we can measure in animals that we use in these studies. But this is simply a long list of different endpoints that might be used, and I'll be talking a bit about some of these endpoints as I tell you about some of the studies that we've done. The Air Resources Board has been very

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instrumental in helping us to begin some of these studies in looking at airborne particles, and our first studies that we really looked at was to look at the two most common particulates found within the western United States, and especially here in the State of California, and that was to look at ammonium nitrate and carbon black as two of the most common types of particles that we find in our environment. And this is simply a light micrograph, the LM on the upper panel and a scanning electron micrograph to show ammonium nitrate and carbon black particles that we've generated experimentally in our laboratory using a simple nebulizer to create these types of particles. all of a very heterogeneous nature in size, but their purity is very clear, that we really were dealing only with ammonium nitrate and only with carbon black particles. this is simply an image of a lung in which we've done airway microdissection so that we can actually look specifically at specific airway generations along the bronchial tree. We can look at branch points or bifurcations and we can look at the terminations of these conducting airways down to that area where we go into the gas exchange regions of the lungs. So this is a way in which we can look at very site-specific areas of the lung, following acute exposure to ammonium nitrate and carbon particles to see if there's any type of effect that we can

measure within the respiratory tract. And this is just a fluorescent image of looking at a bifurcation or one of these branch points along the conducting airways within the lung of a healthy rat that we exposed for three days to ammonium nitrate and carbon particles for a six hour period each day for three days. And then this was looking the following day, and under the filtered air image, we actually see that there are many cells that are actually showing in green. These are the nuclei that actually have been stained with a dye that has an affinity for binding to On the image to the right that's showing the PM on the bottom, these red cells are actually cells that have damaged membranes, that they actually have leaky membranes, and we actually - Following the end of the particle exposure, we were actually able to put a fluorescent dye down into the lungs and any cells that had permeable membranes that allowed this dye to enter into the cell and to stain the nucleus red. And so what we're seeing here is following a three day exposure, that there were many cells, especially on branch points or bifurcations of the conducting airways of these animals, that showed that these cells had actually become damaged and injured. We took it a step further by looking at what cells were undergoing DNA synthesis. That DNA synthesis could be due to repair of the cell if it were - if the DNA were in any way injured,

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or if the cell had died and neighboring cells would actually be - started into a process of cell proliferation, cell division, to actually repair dead and dying cells next And this image here is actually showing one of to them. these bifurcations or branch points where we've actually cut it in a thin section and so we're actually looking on the surfaces of epithelial cells and the very dark black dots that you see there are actually cells that have actually taken up this marker. It's called bromodioxiurbin, which actually is a nucleotide analog, so any cell that's undergoing DNA synthesis would pick up one of these nucleotide analogs and be able to incorporate it into itself. So this actually is a measure of showing DNA synthesis, and this is also not only showing the epithelium of the airways, but also the underlying cells that make up the wall of the airway, or the interstitial cells. this is actually shown in these subsequent bar graphs. This is showing epithelial cell labeling of airways, just along any airway generation that we might look at, and we actually looked at four different exposure conditions: animals that were exposed to filtered air; animals exposed to ozone at .2 parts per million of ozone, which would be in violation of the air quality standard, but is certainly a level that is within the realm of what people may be exposed to; and then to the ammonium nitrate, carbon black,

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which is identified as PM; and then to a combination of particles and ozone. And what we see here is that actually, we saw absolutely no effects of particles alone or in combination with ozone for epithelial cells lining these airways. However, when we looked at the branch points along this bronchial tree, we actually found that there was a significant increase in labeling of epithelial cells that formed the lining of the airways. And this was increased, but statistically significant, following the exposure to the ammonium nitrate particles and the carbon black alone or in combination with ozone. And if we looked at the cells that make up the wall underlying these epithelial cells at these bifurcations or branch points, we also saw there was an increase in the labeling for cells that were undergoing DNA synthesis and this was significant - attained a level of significance for the combined exposure to particles and ozone. We went further down into the airways, down to the last conducting airway, or the terminal bronchial, and this is basically the last airway before you go into the gas exchange portions of the lung. And what we found at this level is that ozone was the only substance that actually produced an effect, an adverse effect, to the epithelial cells at this level. And this is really classical for ozone. It's a highly reactive gas, but we didn't see any effects for the particles, alone or

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in combination with ozone. However, if we just went a little bit further, down into the gas exchange area that we refer to as the proximal alveolar region, we see that there is a significant effect of ozone exposure alone, or particle exposure alone, to the cells that form this gas exchange region of the lungs. So the point here is just the fact that there can be very site-specific effects of particle exposure on the respiratory tract, and that particles alone, independent of exposure to ozone, can produce these types of effects. That was done - studies that were done in rats. Well, is a man like a rat? some people may think there are certain occasions that that may be true, but we also wanted to extrapolate this to another species and we had the opportunity to work with monkeys at the primate center, and this is actually just looking at one site. This is referred to as the respiratory bronchiole, and this is that transition from going from air conduction to gas exchange. And this was looking, again, at the same concentration of ammonium nitrate and carbon particles that we had used in the rats. We found that as we saw in the rats, that also in these monkeys, there was a significant effect of particle exposure on this level, on this site within the respiratory system, suggesting that these effects are not just confined to small laboratory animals, but also can be seen in other

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species as well. So from there, we also wanted to do some studies to go out and look at the ambient particles that are found within the central valley of California. these studies were done in collaboration with investigators, with engineers at the University of Southern California, who had designed a very novel system of being able to draw in ambient air from the outside and concentrate in real time the ambient particles that were in the atmosphere without allowing them to deposit. So all we were doing is, we were simply concentrating real-world particles and then subsequently exposing health rats to these ambient particles. This was research that we did in Fresno, California at the Fresno State campus during the fall of 2000. We actually were there for three consecutive weeks, and I'm just showing you the number of particles per cubic centimeter in the air, and this would be the concentrated particles. And what we found is for the -CHAIR WEISSER: I need to interrupt you. I don't understand.

This is the particles in the air prior to the concentration?

DR. PINKERTON: No, following the concentration.

Thank you.

CHAIR WEISSER: Okay, so how many times more concentrated is this than it would be in real life in the ambient air? DR. PINKERTON: This is 20 times concentrated than the ambient. CHAIR WEISSER:

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DR. PINKERTON: And what we found is that although the particle concentrations - the particle numbers per unit volume tended to remain the same, the mass concentration was very different, and this had to do with the fact that in that second week, we had rain in Fresno and what happened is, it removed many of the larger particles. We were looking at fine and ultrafine particles, so these would be particles less than two and a half microns in diameter. But what was interesting is that many of the ultrafine particles are not removed by rain. It's simply because they have gaseouslike properties and when the droplet passes down through the air, it actually pushes these particles out of the way. Well, these were the studies that we did, and in essence, we were actually creating a bad air pollution day by using this system, but using real-world particles. Are there any effects that we could measure? These were done for six hours a day for three consecutive days, and then we looked at the animals right after that time. This is the chemical composition of the fine aerosol that we looked at. showing for the first week, which shows that it's dominated by nitrate particles, but there's also significant proportions of organic and elemental carbon, as well as metals that are present. And this is, again, just showing another week where, again, in essence, the composition, the relative proportion of the different particles based on

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chemical composition, was similar. And this is showing the results of looking at cells that we were actually able to remove from the lungs by instilling sterile saline. then we can actually remove that lavage fluid from the lungs and recover cells that are present in the lungs, and we were actually looking for cells that had become permeable or actually had damaged cellular membranes. this is showing the results of those studies. The yellow bars represent our filtered air control animals. bars represent those animals that were exposed to ambient concentrated particles. And in each week, we found that there was a significant increase in the number of these damaged or injured cells that we were recovering from the air spaces, the lung, due to this short term repeated particle exposure. We continued these studies even further, and this is simply looking at more time points. This is actually looking at the same time points, again, looking at nonviable cells or cells that actually had died, and again with the yellow bars showing the filtered air controls, the blue bars showing those animals that had been exposed to the concentrated fine particles. The blue bars are for fine particles, particles less than two and a half microns. The gray bars are for particles that are less than 10 microns in diameter, so they would include the coarse fraction. Actually, you see that there are

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differences depending upon the time that we're doing these studies, but at least in looking at these studies for four of the six weeks that we looked at fine particulate matter within Fresno, we found a settled but significant effect on the viability of cells recovered from the lungs of these animals. For the coarse particles, we found no effects at We also used one other measure. When you recover cells from the lungs and if there is an inflammatory process that's going on, something that's involved in injury, we have recruitment of cells from the circulation, and these cells are referred to as neutrophylls, and they actually are a reasonable marker for an acute indication of inflammation. And so for the fine particles for those six weeks - We had two of the six weeks where we actually saw a small, but significant increase in the number of neutrophylls we recovered from the lungs. For the coarse particles, we actually found for both weeks that we did that study that we had the significant increase in neutrophylls, suggesting that particles based on their size, possibly their chemical composition, might have differential effects on the respiratory system. Well, these next two slides that I'll show here are actually from coroner's cases from the Fresno County. These are deceased individuals who died of nonrespiratory causes who had no preexisting history of respiratory disease, and this is

actually showing what I've called membranous bronchioles. These are the most distal conducting airways just before you get down into the gas exchange region. actually showing the anatomy of a membranous bronchiole from a normal individual and from individuals that have mineral dust fibrosis, either in mild or severe forms. This type of fibrosis that occurs can also be evident with someone who's a smoker. What we found in doing these studies is, we found that many of the individuals who were from the Fresno area had significant changes that were occurring within the membranous and especially within respiratory bronchioles within their lower conducting airways, and these were a significant finding that we found. And now that's not to suggest that these people were having difficulty in breathing, but one of the things that was most remarkable about this is that when we looked for mineral dust and we looked for carbonaceous materials, we found that there was a high correlation where these particles had been retained within the respiratory tract of these individuals and where we saw remodeling and changes that were occurring in the lungs, such as the scarring and fibrotic changes, increases in cellularity, and increases in intraluminal macrophages containing both carbonaceous and mineral materials. Now, we also have done studies and again, I'm just presenting some of the work that we've

done in the past few years - to look at combustion particles. Unfortunately, we don't have the ability to look specifically at diesel engines, but we have been working with engineers at University of California Davis in the College of Engineering to design and build a diffusion flame system, which actually allows us to generate soot particles.

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DR. PINKERTON: We can actually be able to look at the combination of soot particles alone or in combination with metals that may be introduced into the soot particles. And this is just showing the system where we actually show our exposure system and we can do particle counts, we can look at particle size distribution, and do these studies under very well-controlled conditions. And working with the folks in Engineering, we've actually been able to characterize some of the particulate matter that we've looked at. We know that we're generating soot, that the soot contains both elemental and organic carbon. We've also been able to add iron into these materials.

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DR. PINKERTON: The iron that we've actually been able to generate is iron oxide, and this material is actually in

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the range of less than 100 nanometers, or .1 micron in diameter, and these particles actually are present in combination with the soot material. What we were really interested in looking at is whether soot and iron could behave in some interactive manner to produce some health effect to the respiratory tract, so what we did is, we did the following study. This is actually looking at glutathione, which is a reasonable measure of oxidated It's a protein that we produce that actually stress. serves to reduce the amount of injury and damage to the This is actually looking at animals that were exposed to soot alone in the first bar, to iron alone in the second bar, or to the combination of soot and iron in the third bar. And what this is showing is that if we look at BAL, which is bronchio-alveolar lavage - That's recovering the fluids that we instill into the lungs - that we actually see that there's really no effect with soot alone or iron alone, but with the combination of soot and iron, that we actually do see some increases in the amount of oxidized glutathione that's present within lung lavage fluid. And if we look at the lung tissue itself, we see that this is also evident for the lung tissues, especially if we're looking at a combination of iron and soot We also looked in the lung tissues for markers of inflammation, and one thing that we can look at is

cytokines, and this a cytokine. It's referred to as IL-1 beta, which is interleukin one beta. It's actually a very reasonable marker for lung inflammation. And again, in doing these studies, we found that we had no effect with soot by itself or iron by itself, but if we looked at the combination of the two things, we actually did find a significant effect. And this is also another marker. This is nuclear factor kappa B, which is actually a very important process that's actually involved. When this becomes activated, this actually begins a whole process to have a lot of genes that actually are then turned on that actually lead towards the production of compounds that are involved in inflammation and in injury to the lungs. again, this is just another example to show that soot by itself or iron by itself weren't producing effects, but the combination of soot together with iron did produce a significant increase in enough kappa B DNA-binding activity, which again is an indication that we have a process that has been induced by exposure to these combined particles that are leading to lung injury. And the final part that I'd just like to mention is that, you know, questions about whether there are health effects that might be associated with particle exposure in young children. did some studies where we actually looked at neonates, or newborn rat pups, and looked for effects for exposure to

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particles. And this is actually a light micrograph showing the conducting airway, the last conducting airway, or terminal bronchiole entering into gas exchange regions. And we actually did a study where we exposed 10 day old rat pups to iron soot particles for a three day period and then we looked immediately after for what was happening in the lungs of these neonatal rats. And this is just the area that we were particularly interested in, is trying to understand, is there any effects on the conducting airways? Is there any effect on the gas exchange regions or on this region that's called the proximal alveolar region or PAR. This is a very important site for where lung growth actually is occurring. So we actually used this marker that allows us to look at DNA synthesis, any cell proliferation that may be going on, and we were actually able to count the number of cells that actually contained this marker showing that the cells were undergoing DNA synthesis. And these are the results. This is actually showing the labeling index for BRDU, which is the bromodioxiuridine. That's the nucleotide analog that we used for control animals or animals exposed to soot and iron within the last conducting airway, and we found no significant effect there at all. We looked out into the lung parenchyma and again we saw no significant effects of the particle exposure in the lung parenchyma. However, in

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contrast, if we looked at that transition between the conducting airway and the gas exchange region, the proximal alveolar region, we found that exposure over the short period of time in these 10 day to 13 old rats had a significant decrease in the number of cells that are undergoing DNA synthesis. So this is actually quite a fascinating finding, because again, if you're undergoing rapid growth, the last thing you want to do is in any way impair the proliferation of cells within the lungs, and this was just simply illustrating that there was a significant effect based on the site of where we were So in conclusion, I've gone over, obviously, looking at. quite a few different studies, but I just simply wanted to emphasize the fact that we are able to look at both fine and coarse particles in our ambient environment, that we can use those to do research, to try to better understand potential health effects, and that we have found that there are changes within the respiratory tract that can be observed following exposure to concentrated ambient particles of the central valley of California, and that these adverse effects of the particles are highly sitespecific. And we found that especially in health adult rats and that combinations, complex combinations of soot and metal particles such as iron can have a synergistic effect that can be adverse to the respiratory tract, and

finally, that these combustion particles can also have a significant effect on lung growth during early life. And I just simply like to acknowledge many of the investigators at UC Davis and Fresno State, as well as at USC and UC Merced who've helped in these studies, and I'd be happy to address any questions that the committee or the audience may have.

CHAIR WEISSER: Well, first, on behalf of the committee, let me once again thank you, Dr. Pinkerton, for coming here, for being patient. This was, from my standpoint, one of the deepest dives into human cellular activity that I've taken, which shows you I haven't taken very many. It appears to confirm most everything that, you know, that we've heard over at least the past decade and longer associated with the pernicious impacts of particular matter, particularly finer particles, on cell life. I'd open the mikes up to any committee members that have any particular questions. Please. Jeffrey.

MEMBER WILLIAMS: Jeffrey Williams. I'm curious about what you surmise is the linearity or non-linearity of these relationships. So many of our regulations are an ambient air quality over a particular amount of time. What if there's twice as much, three times as much, 10 times as much in some of these key features? Is it going up in a very non-linear way? The experiments didn't directly talk

about that, but you must have some sense -

2 DR. PINKERTON: Right.

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MEMBER WILLIAMS: - of that.

DR. PINKERTON: Certainly the interest that we really have to try to understand the plausibility, the biologic plausibility, of how particles may actually produce adverse health effects have a lot to do with better understanding, what is the influence, or what is the importance of particle size, for example? And although we realize that we might be able to reduce particle concentrations by eliminating many of the larger particles, we think that there still are some important effects that may be very much based on particle size, that ultrafine particles may have potentially more of a toxic effect than the larger particles that are present in the environment. certainly could be an issue. I think it's also important to keep in mind that the chemical composition of these particles may be an important player in the types of health effects that we actually measure with particles, and I think that that requires that there be multiple studies done with very careful characterization of not only particle size and particle number, but also of chemical composition of these particles, to try to tease out what might be the most important players for producing health effects when it comes to airborne particles.

CHAIR WEISSER: Yes, John?

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John Hisserich. MEMBER HISSERICH: Excuse me. These are principally animal studies. Presumably, the bronchiolitis that would appear to be the result of this, one could anticipate possibly impaired pulmonary function, possibly emphysema, as a result of these kinds of things or bronchitis or something. Have there been any corollary studies in humans where they may have done some lavage of the bronchioles and so on, if they have some of these other conditions where you might find any of these markers or any of that sort of thing that you're seeing in animal studies? DR. PINKERTON: There have been some studies done with the concentrated ambient particles in human volunteers and they

concentrated ambient particles in human volunteers and they
have indeed found that there are very high correlations
with the sorts of things that we've also found in animals.

MEMBER HISSERICH: The markers?

DR. PINKERTON: These have typically been markers of lung inflammation, markers of oxidated stress that have been evident following short term exposure to the particles.

MEMBER HISSERICH: The illustration here, the microdissection here, is of a human lung, if I'm not mistaken. In the microdissections of the rodent and, I guess, the monkey, were there comparable kinds of changes occurred in the lungs of those species?

DR. PINKERTON: Yes, and in fact again, with the microdissection

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techniques, we actually have the ability to look at these site-specific examples, and so we actually have done identical microdissections in both monkeys, as well as in rats, to show these effects. I think it's important to keep in mind that often times the effects that we might measure with exposure to airborne particles and their deposition may not really be very evident if we just look the whole lung together. I think it's very important to keep in mind that there are sites within the lungs that may actually serve as, literally, hotspots where particles may be deposition, may be translocating, through those sites of deposition, through the tissue walls, into the vascular, and out into systemic areas as well.

MEMBER HISSERICH: Do you see in these animals at all any early signs that the alveoli may have developed emphysematous-type blebs or blowouts, I guess you could say, yeah, that sort of thing?

DR. PINKERTON: No, we have not. These have all -

MEMBER HISSERICH: Have not, because there's not very long exposure, is it?

DR. PINKERTON: Yes, these have all been very short term
exposures. I think the strongest correlation that we've
had are some studies that we could compare with the
children's health study at the University of Southern
California, where John Peters has done some really elegant

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work to show that children who live in areas where there's higher pollution, that they actually have a lung function growth retardation. We weren't able to do pulmonary function testing in our young rats, but we certainly saw that within very critical sites for lung growth, lung expansion, that these were the sites that appeared to be most impaired, at least in terms of their ability to continue on with the cell proliferation due to really short term exposures to the particles. But we don't know what the long term effects might be of those exposures, but I think it points to the fact that there may be very critical windows of development where some individuals may be much more sensitive to the effects of particle exposures compared to others. I think it also is worth mentioning the fact that children may actually be especially susceptible to particles just simply because they spend more time outdoors, they exercise more. And actually, the relative dose of the things that they take into their bodies compared to an adult can be up to 60 times higher just simply because of the differences in surface area, the differences in ventilatory rates between children and adults.

MEMBER HISSERICH: And as you point out or imply, I mean, smokers - the lungs of smokers react quite differently to the same assaults and so on, so there may be, as you say,

only certain ones taken up. Thank you.

CHAIR WEISSER: Jude?

MEMBER LAMARE: Thank you, Mr. Chairman. Particulate matter at a macro level is most associated with elevated mortality, so any speculation about what the connection is there?

DR. PINKERTON: There have been a number of ideas behind this, and again, it seems as though those that are most at risk of literally dropping dead due to a bad air day are those who already have a preexisting condition, either of their respiratory system or of their cardiovascular system. But there also may be some increased risk as well with fatal cases of asthma among children. But again, I'm simply speaking from what I have learned through the literature in epidemiology. These are not studies that we've been able to duplicate in animals.

CHAIR WEISSER: Dr. Pinkerton, I remember during the debate at the federal level as to where to set the standard for PM 2.5, there was a considerable amount of discussion as to at what level would it be safe. And the impression that I was left with is the answer to that is, at no level. There wasn't a nice clean elbow in the data, that there essentially is no safe level. It's a dangerous aspect of this world, and what we need to do is do what you reasonably can do to reduce the amount of PM folks are exposed to. Have things changed now? Is there any sort of

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analysis, data, or studies that are indicating that in fact we have a better understanding at what level PM is safe? I would think that based on the work that has DR. PINKERTON: been done so far, that that still is the case. also, though, I guess just simply speaking from a practical perspective that we have to put into balance what we can attain versus what is the best health protection for our community. I think that the lower we can get our particle concentrations, the better off that we'll be, and I think that can be the only goal that we can really try to strive for in that process. But I know that what is being proposed currently, I don't know - certainly if it can be attained - I think they're actually even talking about down to 12 to 14 micrograms per cubic meter. I think that we'll all just be in greater violation.

CHAIR WEISSER: The conundrum we face that you're pointing out is the requirements that these health-based goals be based upon, you know, identification of a safe level with an adequate margin of safety for uncertainty. But if there is no safe level, there is no adequate margin of safety, I mean, it puts policymakers in a difficult state. Anyway, any further questions from the committee members? Thank you very much. If you could hang around for a while, we may have some questions from people in the audience or on the phone, so I'd like to open up this portion of the

agenda to public comment. Are there any public comments that we'd like to hear? We'll start with Mr. Peters.

MR. PETERS: Mr. Chairman and committee, my name is Charlie

Peters, Clean Air Performance Professionals, representing a

coalition of motorists. My question is, is this for

comments to the doctor that just completed or is this an

opportunity to address issues from the person who called

in?

CHAIR WEISSER: Charlie, you can chat with us or ask questions associated with Dr. Pinkerton's report or from Dr. Lawson this morning, or both.

MR. PETERS: Thank you, sir. Dr. Lawson has obviously worked very long and hard on this issue. I have observed him over literally decades and very dedicated individual who works very hard providing information. And it appears to me as though there are considerations not being taken into account that might be significant. As an example, what we're doing is looking at the issue of here's a car that's reading a certain amount and we threw it in the system and we got a repair or a action, and how did that affect the result, and did we improve air quality? It is my humble opinion, Mr. Chair, that the primary effect of the California Smog Check program is primarily an ancillary effect. And what happens is that when you set a standard, lots and lots of people respond to that, behaviors change

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on all kinds of levels. That creates an outcome that prevents cars from becoming broken because you change behaviors of the car manufacturer, the car dealer, the corner service station, the guy working on his car in his garage, just whole lot of factors that come into account that may very well make very significant reductions in emissions, particularly over the life of the car rather than looking at this one particular micro-change in process being used as a basis for policy. How I see that is that the current situation, our doctor's analysis primarily supports a "let's find the really bad cars and crush them and create a tradable program and this is going to be very effective." I believe that if we take a - we look at whether or not the car is broken and whether or not what is broken gets fixed, that standard affects behavior on a broad base, it affects the ancillary effect of the program, and makes very significant reductions that have not been currently quantified or given credit for, and if those issues of what's broken actually getting fixed, all the cars that are marginal failures will in fact pass when what's broken gets repaired, and I think that's a very simply procedure to evaluate that change in performance to the program.

CHAIR WEISSER: Thank you very much, Mr. Peters. We'll move back to Mr. Walker.

MR. WALKER: Thank you, Mr. Chair, members of the committee. Chris Walker on behalf of the Automotive Repair Coalition and the California Service Station Automotive Repair Association. Like to go back to Dr. Lawson's presentation earlier this morning and look at the chart that he had on page two of the vehicles that he recruited the sample vehicle recruitment. And it seems to me that if we could get additional columns of information on these vehicle categories, it might be illustrative of the strengths and weaknesses of our program; in fact, incredibly illustrative of how we're processing cars. Everything from how we identify cars for inspection to begin with, how we identify cars for specialized treatment, and how in fact we identify effective repair strategies that will be durable over the long haul. There are six categories that I would like to see if we couldn't get additional information on these The first is, what is the total hydrocarbons vehicles. above the standard, i.e. the cut point, that these vehicles exhibited?

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CHAIR WEISSER: What chart are you making reference to?

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MR. WALKER: I'm sorry, page two of - I'm sorry, page two of this, upper right hand -

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CHAIR WEISSER: There's a little number next to the particular chart -

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MALE: In the lower right hand.

CHAIR WEISSER: - in the lower right hand of each of the little boxes.

MALE: First presentation or the second one?

MR. WALKER: It's the first presentation. There is no number in the lower right hand corner. If I count up the slides, it would be slide one, two, three, four, five, six, seven, eight, I believe.

CHAIR WEISSER: What's the title of it?

MR. WALKER: LD Vehicle Recruitment Sample.

10 | CHAIR WEISSER: Got it, thank you. Number eight.

MR. WALKER: Vehicles tested in June 2001.

12 CHAIR WEISSER: Thanks, Chris.

DR. LAWSON: Again, this is Doug Lawson. I'm on the phone. I can barely hear you. I might be able to answer a question if you have a question.

CHAIR WEISSER: No questions yet. We're getting introduction.

Go on, Chris.

MR. WALKER: I don't know if you can answer the questions today,

Doug. What I would like to see is, if we couldn't get more
information, i.e. columns next to these different
categories of vehicles, and for example, I have six
different areas that I'd like to see. The first is the
total hydrocarbons above the standard or the cutpoint of
each category, so for 1996 and newer, how many of those
vehicles actually would have failed the hydrocarbon test

and by how much, on down through the 11 different categories. The next area that I would like to look at is, what is the total PM emissions from each of those categories? The third is, are these vehicles identified within the current high emitter profile that we're using to identify - to send cars for specialized treatment or not. The fourth is, how many months from the last smog check were these vehicles? It might be interesting to know how far out these vehicles were from their last inspection. The fifth category would be -

CHAIR WEISSER: You can disregard that. We took up some of your time. We'll cut you off in another minute or so.

MR. WALKER: Just real quick. The fifth is the result of the last smog check emissions test, i.e. did it pass or did it fail, right? And then how - and going back to the last questions, how many months ago was that? And then the sixth category is, what repairs were conducted, if any, on those vehicles? I think that if we could get those additional columns of information based upon the vehicles, we could start revealing a lot about the current program, because this is a really good kind of roadside test, pulling out of the population of vehicles what's going on. And we have the means, through the wealth of data that California collects, to go back and get this type of information, and I think it'd be very revealing. For

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example, are we fixing hydrocarbon failures, i.e. and there's a correlation between hydrocarbons and PM. Are we masking them by putting a catalytic converter on and not conducting further repairs? Are these station types that we're sending these vehicles to, whether they be test and repair or Gold Shield or even test-only, not providing accurate test results? There's a lot to be learned, and I think that if we could go back and dissect these categories by getting six more sets of information on them, it might be very helpful for this committee.

- 11 CHAIR WEISSER: Thank you, Chris.
- 12 | DR. LAWSON: This is Doug Lawson. Can you hear me?
- 13 | CHAIR WEISSER: Yes.
- 14 MR. WALKER: Yes.
- DR. LAWSON: Okay. Chris, these are very good questions. It's nice to see you on my computer screen. Sorry I can't be there in person.
 - || CHAIR WEISSER: Wave.
 - DR. LAWSON: If you can give that list to Rocky, I'll work on putting that together. This isn't my full time job, so I'll have to do it at night or on the weekend or something, but I'll be able to provide a good amount of that information to you, because I have the smog check results and certs for those vehicles that we recruited, or the vehicle identification reports for those vehicles.

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CHAIR WEISSER: If I might interject, while I certainly think it would be interesting to have that information, we have to keep in mind, we're talking about an extraordinarily limited number of vehicles in this sample. information sure would be interesting to have as part of the data collection that BAR does so well. And I quess I'll just pose a question: is that sort of slice and dice of the data that you collect possible, where you can do the sort of cross tab that Chris is putting forward for this smaller sample available for a larger sample of car models, makes, mileages, nature of failure, nature of repair? DR. LAWSON: Those data are available. Those are all available from the BAR database, because when I got into looking at the ARB roadside survey data, you can get all of that information. However, there's no information on PM, and so although this - as you mentioned very correctly, Mr. Chairman, this is a very, very limited data set and it was collected for another reason, and that was to develop these source profiles for receptor modeling for source apportionment, I would be willing to work on putting together some tables of these data, as long as I have the request. Now, there are some data that I don't have available that we'd have to get from BAR regarding status of these vehicles, when they were last smogged and so forth prior to these tests, and I don't know how long they

archive those data. Remember, this was done in 2001. But I'd be glad to put together a spreadsheet or information of the data that we have and smog check result reports for these vehicles.

CHAIR WEISSER: Well, it sounds to me that that would be, you know, interesting data. It might lead us toward some potential future recommendations in terms of a larger data collection effort. Chris, you know, you haven't had a great amount of time yet to - You've heard the report, you went to lunch, came up with this idea. I'm wondering if you can jot it down, give it to Rocky. Rocky can share it with Doug and we'll see where it goes. The concept I'm getting for you is that there may be the ability to kind of utilize the data to form a decision tree on where you focus the program, by particular characteristics of cars. Am I misreading you?

MR. WALKER: Yes, I mean, a lot of the issues that this committee struggles with is, what is going on out there and what is the history of vehicles and where is the system breaking down, where is the system strong? And it seems to me that by looking at this small sample of vehicles, you can go back and look at the histories. While it is a small sample and the selection is fairly limited in terms of model years and mileage types and like that, it can be illustrative of some of the larger issues. And while it

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was PM that we're after, the strong correlation between hydrocarbs and PM, I would guess, is coming - If in fact it's lubricating oil that is the source of the PM, if in fact it is that oil, somehow that oil is getting into the combustion chamber at some point, either through the valves or through the rings. And when that happens, you have an incomplete combustion process, i.e. you'll have unburned gasoline being shot into the exhaust stream as well. we're not measuring for PM on our emissions testing equipment, we are testing for hydrocarbon emissions, and the strong correlation between the HC and the PM that Dr. Lawson witnessed seems to bear out the theory that I'm putting out that there is a connection between unburned gasoline and oil getting into the combustion chamber. we can go back and look at how these cars were handled and why they're on the road operating in the condition they are, we can get to issues like clean for a day, we can get to issues of durability of repairs, we can get to a lot of things in kind of a snapshot view of what at least happened to these vehicles.

CHAIR WEISSER: Thank you. I share your aspirations, if not fully understand the chain of ifs and possibilities here.

I'm just wondering whether, you know, what you're suggesting might shed light on what questions we need to ask to try to pin down in order to recall make some firm

suggestions as to what major questions need to be answered in order to deal with this PM - the potential for a PM link. I don't think it's - We need to get - we need to get to the point where we have demonstrative data. I'm not sure we're there yet. I think some of our attention needs to be turned toward, okay, we've got some amber lights flashing here. What do we need to look at?

MR. WALKER: That was the second presentation.

CHAIR WEISSER: Pardon me? Okay, you can sit down now, Chris.

Thanks, Chris. Interesting. Are there other comments or questions from the public? Sorry, but -

MALE: I've got more questions than answers on this stuff.

Think it opens up a whole bunch of research opportunities.

MR. RICE: Bud Rice, Quality Tune-up Shops. Two quick comments. The first one is I'm hopeful that in-depth discussion on PM doesn't end up being one of horse trading somewhere along the line, where we're trading pollution credits, or since we got these savings over here, we're not gonna chase the dry cleaner guy for his reductions, that kind of thing, that it stays on point. Second comment I'd like to make is, some of this stuff is confusing, actually, you know, from the public's perspective and sitting back going, I wonder how this fits into the grand scheme of things. And I guess I'd like to ask the committee if there isn't a way to grid this thing out a little bit and say, okay, here's

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our actual air baseline. Here are the SIP requirements. Here are the sources, mobile and stationary. Here are the program parameters, meaning we have an I/M program. And this is what our projected benefits are gonna be in terms of clean air for the I/M program, and then here's what the actual benefits were, and were there any plusses or minuses that went along with that? Then from there, now you wanna talk about PM. Great. Where does that now fit into the grand scheme of things, and shouldn't there be a more integrated approach. As we look at each of these things as a pill, how does it fit into the grand scheme of things and what does it mean in terms of air quality? Thank you.

Outlines the SIP process, the State Implementation Plan process. That's precisely what they do every several years to try to come up with what actions we need to take at the state and local level to achieve better air quality. They go about, they identify what's the goal? What's the public health goal, and then what is the ambient air quality? And what kind of reductions over what period of time do we need to get to that clean air goal and which portions of those reductions need to come from different sectors of our society: mobile sources, stationary sources, federal sources?

MR. RICE: Is there a representative of the federal government

here now?

CHAIR WEISSER: No. How surprising. You know, that's the nature of the process. And then they do a chirrup and one of the problems in the last chirrup is that the amount of credit that was claimed from Smog Check was reduced substantially, cause the program - there weren't a lot of improvements that were suggested that were taken, so they had to back off how much credit they could claim from the Smog Check program.

MR. RICE: (Inaudible) if I could real quick. But here, here

I'm talking about, we never seem to get to the point where

we say, all right, let's recommend we take years five and

six out of the program. What's that mean? How does that
how does that now fit in the grand scheme of things in

terms of plusses or minuses to the program?

CHAIR WEISSER: Or actually here, if you mean the IMRC, we tried to address that question when we submitted our first report, the first report since I came here, where we tried to recommend to the legislature and to the administration those actions which we felt were merited and we tried to discuss very explicitly relying upon BAR and ARB data the sorts of emission reductions and costs that were involved in those recommendations. So I hope that we actually do come to grips with that sort of thing.

MR. RICE: Thanks.

- 1 | CHAIR WEISSER: Thank you. Dennis?
- 2 | MEMBER DECOTA: Bud, as a member of the industry, have you ever
- 3 seen the State Implementation Plan as it relates to Smog
- 4 | Check?
- 5 MR. RICE: No.
- 6 | MEMBER DECOTA: Would you know where to go find it?
- 7 MR. RICE: No.
- 8 | MEMBER DECOTA: Have you ever had a situation where you had a
- 9 public hearing or notice that there was going to be a
- 10 meeting with regards to the State Implementation Plan, that
- 11 you can recall?
- 12 | MR. RICE: After the effect after the fact.
- 13 | MEMBER DECOTA: You have?
- 14 MR. RICE: Afterwards, yeah.
- 15 | MEMBER DECOTA: Okay, all right. Yet it governs a lot of what
- we do. As a committee member and a senior, I've never seen
- it either.
- 18 | MEMBER DECOTA: Thank you.
- 19 CHAIR WEISSER: I would urge the representatives of the Air
- 20 Resources Board to immediately, posthaste, add Dennis
- 21 DeCota and Bud Rice's names to your distribution list for
- 22 notices on all actions associated with the SIP.
- 23 | DR. LAWSON: Vic?
- 24 | CHAIR WEISSER: In the interim in the interim, I would urge
- you to go to arb.ca.gov. Their website is one of the best

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in government. You can really get an enormous amount of information, both historical and prospective, in terms of their hearing process. It really is a model website. It's a very good website.

DR. LAWSON: Vic, this is Doug Lawson.

CHAIR WEISSER: Thank you, Doug. I'm not interested in a comment right now. We're going through committee members, so I'll get back to you in a second.

DR. LAWSON: Thank you.

CHAIR WEISSER: Jude.

MEMBER LAMARE: Thank you, Mr. Chairman. Regarding the SIP, it is my memory that the state will, in its next step, which is the eight hour ozone and PM 2.5 SIPs, that I had heard some rumor that these were going to be merged, and that the state would actually consider ozone and PM at the same time. This is relevant, I think, in several air bases where there is nonattainment for PM 2.5, as well as ozone. I'm wondering if Sylvia or Andy Panson [phonetic] could speak to that.

MALE: Good question. I've heard the same thing.

MS. MORROW: Sylvia Morrow, California Air Resources Board.

Yes, that is an option. We're hoping it would be an option for two areas this state, specifically the south coast, who already does an integrated plan. When they're doing their State Implementation Plan, they usually do it for all

pollutants at one time, since many of the precursors for PM and ozone are the same, so they do do that. We're also hoping that the San Joaquin Air Pollution Control District, who is the other area in the state that is nonattainment for PM 2.5, they're also planning on doing - well, I don't know if they are planning, but we're also urging them to do a comprehensive plan for both pollutants. One of the issues is, is that the eight hour ozone plans are due in June of 2007, while the PM 2.5 plans are due in early 2008, so there's a little discrepancy of the timing on those and hopefully, if all the modeling and everything is done for those two areas, we can have a comprehensive plan. Thank you.

CHAIR WEISSER: Okay, Doug?

DR. LAWSON: Yes, I would - Thank you, Mr. Chairman. I would just mention that to my knowledge, the NFAC model of California gives really quite large credits for the implementation of the Smog Check program. That being the case, that's why this program is so important to understand its effectiveness in attaining the path to clean air in California, so the model does give a lot of credit for Smog Check and it's important for the Committee members to understand what ARB thinks the credits are that are given in the SIP.

CHAIR WEISSER: Thank you, Doug. Are there any people in the

audience who - Oh, Sylvia had something directly to reply on that?

MS. MORROW: Sylvia Morrow, California Air Resources Board.

Just a quick note on that, and I don't know if Doug has been participating in all our meetings, but in the 2004 ARB BAR report, we had data from both roadside and MFAC and the percent reductions associated with both of those were similar, so I think that our estimates of how much on a percentage basis, what the Smog Check program is reducing is fairly accurate. Thank you.

CHAIR WEISSER: Thank you, Sylvia. Are there any people who have any questions or comments who have not spoken yet? I thought I saw a hand in the back of the audience. No. Charlie, please come up.

MR. PETERS: Yes, thank you, Mr. Chairman and Committee. I just wanted to take this chance to give you an opinion of what happened when I was in business with a specific little anecdotal opportunity for improvement, talking about the ancillary effects and setting standards and what kind of effect that can have. I had UPS come to my business because we had a significant change in licensing and the people who were doing the work there were Teamster Union employees who were basically working for a very ethical company who wanted to do things right. And the result of doing things right or wrong resulted in direct economic

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impacts with those vehicles running down the road successfully or not, but they came - what happened was that these folks did not renew their licenses who were doing this job of inspecting or repairing cars within the business, so they came to me and asked me if I would be interested in providing that service. I said, well, I says, you being a corporate entity are not likely to want to respond to the kinds of quality that I would set and you probably wouldn't want me - no, no, we're UPS and we want to do it right. I said, okay, sir. I says, well, I believe that if in fact you do that, you'll get a significant improvement in the economic impact in your business and will result in a significant improvement in your profit. They said, let's go for it, Charlie. started off with an 80 percent failure rate for emissions and visual and functional and so on and within six months, the changes that took place by setting those standards of vehicles running heavily down the road six and seven days a year [sic] on the run, full go, stop and start, lots of cold start warm-ups, and so on and so forth, went from over 80 percent failure rate to less than five percent failure rate within six months. So that's not going back and reinspecting those vehicles, but you're setting standards that they appreciated and more than likely significantly impacted their bottom line and their dependability on the

road and so on. So I believe that if in fact, issues of quality or audits, et cetera, are implemented in this program, the opportunities to improve the fleet emissions that I saw meant that that fleet of vehicles, which was very significant, probably reduced its fleet emissions by somewhere around 80, 90 percent within six months by a quality audit that produced, I believe, significant performance improvements and air quality improvements.

CHAIR WEISSER: Thank you, Mr. Peters. Okay, ladies and gentlemen. Oops.

MEMBER WILLIAMS: Jeffrey Williams again. I had one final question for Dr. Pinkerton. Have you ever hooked up to your rats the equivalent of sitting behind a gross polluting vehicle in traffic half an hour every day for a week?

CHAIR WEISSER: No, but he's brought them to an IMRC meeting.

DR. PINKERTON: This is Ken Pinkerton. No, I have not.

MEMBER WILLIAMS: It might be interesting, since what we're arguing about is the extreme pollution of a few vehicles and what is the health effects of that?

DR. PINKERTON: I agree.

CHAIR WEISSER: Okay, very good. Rocky, we now will move to our discussion on legislation, but I'm wondering. I notice on the agenda, as everyone has seen, we have a discussion with consumer groups regarding one of those bills, one of the

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measure, AB 386. Are those representatives here in the Terrific. Why don't you give us your report on the legislation and then we can engage in a discussion with consumer representatives?

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MR. CARLISLE: Okay, with the exception of three bills, everything else has remained status quo. The three bills that there's no real movement on, but they continue to be alive: 386 is one that the Assembly Member Lieber's staff continued to meet with the interested parties and consumer groups to see if those issues or concerns can be addressed in the bill. 578, the Horton bill, that's the one that would modify the cap and test-only program. They continue to negotiate with the interested parties in that one as well. And finally, the Maze bill, AB 898, that one, the Assemblyperson has no intention of reintroducing, so that's pretty much the legislative update.

CHAIR WEISSER: Okay, I'm trying to stall for time, because I really want Jude Lamare to be here for this discussion, so I think I'll speak very slowly for a while. Let's see. there anything else on the agenda that we - IMRC consultant test, is that anything we might be able to do while we're -MR. CARLISLE: No, that was a placeholder in case there was something we want to discuss. I do have a presentation of suggested future reports for the IMRC and we may want to

look at that, come back to the consultant list.

MEMBER HISSERICH: I have a - I have a comment, if I may, Mr.

Chairman. This is John Hisserich.

CHAIR WEISSER: Please.

MEMBER HISSERICH: I think the fact that we had a rather thorough group of data for us to review this morning was evidence of the presence of the consultant's participation, and we appreciate that. I think it's helpful and I look forward to it more.

MR. CARLISLE: Been very helpful.

CHAIR WEISSER: I'm sorry, I was chatting with Jude. Okay,
well, you did a great job. Rocky, I didn't get a chance to
thank Dr. Pinkerton for his extended presence, and I wish
on behalf of the Committee, you'd write him a letter and
thank him very much for -

MR. CARLISLE: I absolutely will.

CHAIR WEISSER: And as well as for Doug, who has probably cauliflower ear, although he's not on the phone; he's on the web. Probably, his eyes are spinning, but I appreciate people, you know, who are able to put forward their time and effort, just like the folks here in the audience to help us try to do this job. Well, I think now I've stalled sufficiently, so we can move forward to talk about 386.

386 was a measure, just to summarize, folks, that came up following, you know, several discussions that occurred at

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IMRC meetings regarding the role of the Bureau of Automotive Repair and the role of the ARB in terms of their joint oversight, you know, their joint responsibilities and their separate responsibilities associated with the Smog Check program. And as I've said repeatedly, this Committee had not met with or taken, you know, a position other than that which we put in our public report to the legislature and the administration, where we recounted our concerns associated with the role and the direction that the program was being led by the Bureau of Automotive Repair. tried to recount several of these issues that led us to have some fundamental concerns over the priorities, the long-term priorities, of the Bureau of Automotive Repair in terms of how they matched up with this Committee's priorities. This Committee's priorities are listed in the item we briefly talked about earlier this morning, where, you know, our emphasis is trying to find cost-effective emission reduction opportunities from the mobile source fleet, the light-duty vehicle fleet and to have those come forward in a way that is convenient to consumers and fair and equitable to the industry providing these services. Apparently, representatives of Ms. Lieber were listening in our conversations, because before we knew it, a bill had been introduced to transfer a good deal of the policy direction associated with the program from the Bureau of

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Automotive Repair to the Air Resources Board, as well as the budgetary authority, while leaving the role for implementation of the program in the hands of the Bureau of Automotive Repair, fundamentally, to try to align responsibility and authority with program purpose in a more clear way than that which currently exists. The bill was introduced. Ultimately, this Committee discussed it and took a position, I believe, in support of the bill. Members of this Committee, including myself and Jude Lamare and I think Rocky Carlisle as a representative of this Committee, met with Ms. Lieber, also met with representatives of the Governor's Office, the State and Consumer Services Agency, the Department of Consumer Affairs, and anybody else who would sit down and chat with During the hearings, a lot of people had a chance to present their perspectives on things and a significant series of concerns - well, I should say, a series of concerns was raised by significant consumer representatives, and we've been asked by representatives of Ms. Lieber to chat with consumer representatives and also on our own behalf. We're very much interested in finding out what the concerns are with this move in the proposed package of legislation. So that's stage-setting, and if there are any representatives of consumer organizations in the audience who would care to share some of the thoughts

and concerns that they have with us, I would invite them now to the podium, and if you could identify yourself. You can take as long as you feel you need.

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MR. BLACKLEDGE: Thank you. I'm Steve Blackledge. legislative director with CAL-PERG, California Public Interest Research Group, a consumer advocacy group, one that has also in the past worked a lot on clean air issues as well, and certainly I have a great deal of concern and care about clean air issues, in addition to consumer protection. We, along with many other consumer groups, many of whom said they apologized that they couldn't make it here today, had other conflicts in their schedule, but we weighed in, I would - well, we weighed in fairly late in the legislative process because we became aware of the bill fairly late in the legislative process and which - we could have weighed in sooner, but we weighed in and raised a number of questions about the bill and what the impact would be and the effect would be on the Bureau of Automotive Repair, the Department of Consumer Affairs. Even ARB weighed in with a number of questions and we weren't fully satisfied that the answers would be able to we would get answers in time with - everyone here, I'm sure, has experienced, sort of, the end of legislative deadline and know how that work [sic] and so we weren't sure that we could be satisfied in the short time that was

left, and so we asked Ms. Lieber, who we have a great deal of respect for, if she would make her bill a two-year bill. So we never, at least my organization, never formally opposed the bill. We just had a number of questions and asked that she make it a two-year bill to address some of these questions and make sure that we were satisfied with what some of the answers would be. You know, number one, I think all of us in government and outside of government need to kind of question and analyze, sort of a transfer of responsibility and power and authority from one governmental agency to another. There's certainly a number of costs that go along with that, and in this case, we weren't sure what the costs were, and that was one of our questions, so how much would this cost to move it from BAR I guess maybe one could argue that since you have the same three letters, there aren't as many costs, but who But what would it mean and how much would it set us back in terms of would it mean training up a whole new set of staff? Would it mean moving programs over? Would it mean moving the Consumer Complaint Hotline program over? What would it mean exactly and how long would it take the new department or the new agency to get up to speed? we didn't know the answer, and we weren't sure if others knew the answer for sure, and one of the reasons we argued for a two-year bill. And we had a whole set of questions

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about what programs move over and whether the new department or whether ARB specifically would be able to deal with some of the enforcement questions and the consumer complaints and the hotlines and the inspections, where what would be the balance between BAR and ARB at the time? And I'm seeing an inquisitive look, so maybe that was spelled out more clearly than I realized, but certainly those were some of our questions at that time. How much would it cost? We already raised that. How much time would it take? How much would it set us back? And then to some extent, we wondered whether at some point we moved too much of it from - well, let me start - let me back up a step and say that the Smog Check program certainly has an impact on consumers and it has an impact on clean air, and so if we move it - if we go too far from moving it from one to the other, do we at some point have to move some of it And we wanted to make sure we had it right, if back? indeed this is the right process to go forward. So again, I can say that from my organization's perspective, we didn't oppose; we just had a number of questions and asked that we slow it down to make it a two-year bill and address some of these questions, some of these concerns.

CHAIR WEISSER: Thank you. I think every single question you asked is reasonable, and we should sit down together with Lieber's staff and ARB staff and BAR staff and try to talk through each one of these issues. I don't know if you saw the paper that the IMRC developed and looked at various alternatives to cope with the -

MR. BLACKLEDGE: This fall?

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CHAIR WEISSER: God, it was how long ago? Gotta be eight or ten months ago. I think it came out about the same time last year.

MR. BLACKLEDGE: Okay. I don't recall it, but I may have looked through it.

CHAIR WEISSER: Rocky, would you make sure that he gets that paper?

MR. CARLISLE: Yes, I will.

CHAIR WEISSER: And that all the consumer groups that appeared on the bill get the paper. And I'd urge you to read that, which will give you some insight in terms of the thinking and motivation on the part of this Committee. But the questions associated with the downsides of anytime you transfer are real questions and need to be dealt with in a forthright fashion, and I don't think it's the time and place for us to have that sort of back and forth, cause we need - like you said, you're one of the consumer There are others, and I think it'd be organizations. really helpful to everyone to just have a discussion. What's the best way to deal with this issue? I mean, what would be best in my mind was if you could reasonably expect

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the priorities in the Bureau of Automotive Repair to focus on cleaning the air to a higher degree than they currently That was my hope when I took this position as Chair. I've had to give up on that, and really move toward thinking, you know, we just need different leadership, leadership whose responsibility is directly tied to air quality, not ease of program administration. And that's why - and I think this Committee as a whole bought into That's why we put out the paper and I'm convinced that's why Assemblywoman Lieber put her bill in. good person. It is up to us outside stakeholders to sit down and chat together about this, so I'm going to ask Rocky to work with you and your compatriots to set up a session where we can sit down and talk these through, and I would love to have BAR and ARB present. There's no hide the ball here. We're all adults. Jude?

MEMBER LAMARE: Thank you, Mr. Chairman. I see that Assembly
member Lieber's staff is here today, Dan Chau, and I
wondered if Mr. Chau had any thoughts or recommendations on
how to proceed with discussions on the bill?

MALE: I didn't know that was (inaudible).

MR. CHAU: Thank you, Chair Weisser, Members of the Committee.

Dan Chau, Staff to Assemblywoman Sally Lieber. We have been - since the concerns of the consumer groups have been raised toward the end of session, we have made great

efforts to engage and seek out greater clarification of their concerns, and since the end of session, we've been continuing to do that, and we're committed as the next - this coming year of the session begins, to do that as well. I wanted to wait until after this presentation to directly engage the consumer group organizations and, you know, I think greater clarification of some of these concerns - I'm still in need of greater clarification. I think a sit-down meeting with these organizations and members of ARB and BAR and even members of the Senate and Assembly Business and Professions Committees would be a wise thing to do, so I fully remain available to do that, and Ms. Lieber is as well, so.

CHAIR WEISSER: Terrific. You know, it was our intent in our paper, and something the Assemblywoman picked up on, to try to do this as - frankly, as simply as possible, to reduce costs, to reduce time lag, and to not upset those things that BAR has shown themselves able to do well, or pretty well. You know, we looked at but rejected the notion of moving the entire BAR over to ARB, or even moving the entire BAR function associated with Smog Check over to ARB. There are operational and implementation things where, you know, BAR has a long history in terms of working with consumers and working with businesses that, by and large, has been very successful. Let's keep that there. It's the

program policy direction where we were looking towards a change. That's what we tried to structure, to not screw up that part that's working well. And if there are better ways to do that, my ears are open. I just haven't thought of them. Jude?

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MEMBER LAMARE: Vic, you said your hope was to get the BAR focused on air quality goals and priorities, and I feel compelled to note that in my role on this Committee almost now for two years, I think, and my other work on air quality, where I'm aware of what ARB is doing and how they're operating with respect to other air pollution control measures, it has become my hope to get ARB more focused on Smog Check as an air quality strategy. I really feel that Smoq Check has been bracketed and that IMRC has been thrown into the position of listening to what people have to say about Smog Check and that the Air Resources Board is blissfully unaware as a board what role the Smog Check plays in the air quality strategy for California. There are a number of very important air districts out there that require a very effective Smog Check program to meet their air quality goals, but that need is not addressed by the Air Resources Board in any systematic way. So at minimum, I would hope that we come out of this at the end of the legislative year with at least a requirement that the Bureau report directly to the ARB board on a

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regular basis about the program, about its performance, about the issues that are coming up and the opportunities for greater emission reductions from the Smog Check program, realizing that this is a hybrid program. looked at other states and saw that the other states were not using their Consumer Affairs Department to run their Smog Check program, and that seemed like a very big red flag to those of us on IMRC that wanted to make this change. But even accepting that history's already been made here, there surely are some things that can happen too, that will better integrate the Smog Check program into the Air Resources Board's air quality planning. Today, for example, we heard that folks didn't even know when a SIP was made or when a SIP hearing was or how Smog Check worked in a SIP, and I think that reflects the problem that the Smoq Check program is a stepchild in the California Air Resources Board air quality strategy. The year 2000 report certainly reflects that. There were shortfalls. were apologies. There were ways of making it up with something else, but I think it really begs the question. We have a Smog Check program for an air quality purpose and we need to make sure that we're getting out of the program something that truly does improve air quality. I am not in any way criticizing the Air Resources Board staff or the time and effort that they put into overseeing the Smog

Check program, but I am truly worried when the Smog Check guru at the Air Resources Board has been the same person for 20 years and life moves on. I feel that we need to make sure there's a strong unit of policy, budget people, Smog Check evaluation people at ARB who can carry on and make sure that this program remains an effective part of the air quality strategy or that we know what we're doing So thank you for indulging me in this little It's, I think, not just a matter that the Bureau speech. has other priorities, but that this program never sees the Air Resources Board. The Chairman of the Air Resources Board never says boo! about what happens in the Smog Check program. That isn't right. It should be up there with all the other mobile source programs, going through the same kind of scrutiny. We have a Moyer program, we have a Smog Check program. The same evaluation effort ought to go into both of them, and I would be interested in anything else that anyone in the room has to say about this subject. Thank you.

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CHAIR WEISSER: Dennis?

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MEMBER DECOTA: I could not agree with Jude more off of what she's just stated. I also think that the Bureau of Automotive Repair somewhat becomes the scapegoat for policy made without input by ARB with regards to Smog Check. So this industry representative isn't sure of his support for

AB 386 because he doesn't actually understand how that will take and create a situation that is clear or less murky than the one that he's been faced for the last 14 or 15 years he's been on this Committee. It is a, I think, important question that the consumer groups have asked. I know that industry is very concerned with a change and how it will affect them in everything from consumer relations to enforcement to program - how the program works. So, you know, we need to take and have a dialogue on this. I think that stakeholders need to be involved in this from every aspect of both industry, as well as government, and I honestly would pray for the day that the SIP isn't used as the scapegoat for policy that is not public. Thank you.

CHAIR WEISSER: Any further comments from members of the

Committee? Any comments from people in the audience?

We'll start from the left and work our way right. Mr.

Trimlett.

MR. TRIMLETT: I have a question for the representative from
Sally Lieber's office. Can he step forward, please?

CHAIR WEISSER: Why don't you direct your question to me and
I'll decide whether he'll be responding directly to you?

MR. TRIMLETT: No legislator ever carries a bill without driving
force from some special interest group. It does not - I
cannot believe that AB 386 just came out of Sally Lieber's
mind. I would like to know who is the driving force. Who

is the driving force special interest group that brought about 386?

CHAIR WEISSER: I don't know whether - Dan, you should feel very comfortable in not responding or in responding, whatever you choose. This is something that, Len, you can chat with staff offline, so Dan, it's up to you whether you want to respond.

MR. CHAU: (Inaudible.)

CHAIR WEISSER: Okay, so why don't you have a discussion offline and he'll give you an answer.

MR. CHAU: (unclear) answer?

|| CHAIR WEISSER: Pardon me?

MR. CHAU: (unclear) answer?

CHAIR WEISSER: We'll move on. Next comment, going left to right. We'll start with Mr. Saito in the back.

MR. SAITO: Thank you. Dean Saito with the South Coast Air

Quality Management District, and just to add to board

member Lamare's question, the South Coast AQMD did support

AB 386. And it was based on the notion that in the south

coast, where we have a black box of unidentified control

measures approaching 300 tons a day, we need every pound of

emission reductions possible, and when you have a program

where the SIP commitments haven't been met from the 97 SIP,

we did not feel that BAR was adequately addressing the SIP

commitments made in the previous SIPs. And when you have a

- I guess - let me put another personal note on this. Having worked both at BAR and the Air Resources Board, I have a unique perspective of the SIP relative to the Smog In many of the air districts, the Smog Check program. Check program is the backbone of the control measures for mobile sources measures, so it is the critical backbone in the air quality plans to achieve attainment in regions that are severe and above for ozone and for PM 2.5., and when commitments have not been made dating back to the 97 AOMP, we take that very seriously, and it also impacts such issues as transportation conformity. When the local MPO can't demonstrate - make a conformity finding on transportation projects because of the SIP shortfalls relative to the Smog Check program, highway projects are jeopardized, and we're talking millions and millions of dollars. If I was to ask somebody at BAR about transportation conformity, I would venture to guess I'd get a blank stare, because they don't understand the aspects of transportation conformity relative to the Smog Check commitment. So based on that, the District did support AB 386 with the hopes that we can not only achieve the commitments already made in the SIP, but even get additional reductions from the Smog Check program, even to the point where at the last, the 2003 AQMP, the District added several recommendations to improve - recommendations

such as addressing the exemption for four wheel drive vehicles and all wheel drive vehicles, from the loader mode test, such exemptions as the diesel exemption from the Smog Check program. These were recommendations that we made in our AQMP, how to get additional reductions from the Smog Check program. We even wanted BAR to consider the inclusion of both the two speed idle test and the loader mode test to the enhanced areas, because in a region that is so congested and where you have so much idling on the freeways, we think a two speed idle test across the board makes sense.

CHAIR WEISSER: Thank you, Dean. Dennis, did you have a question of Dean directly?

MEMBER DECOTA: Dean, I have a question, please. As the Air

District has goals in order to make its numbers in

attainment, I wanted to ask you, have you already tried to

initiate a formula of reduction for evap in order to take

and meet your attainment needs and goals?

MR. SAITO: That is already embedded into the SIP and counted as reductions.

MEMBER DECOTA: I understand that, and it was loaded, okay. I did know that. My question to you is, how can you take credit for something that's not state law?

MR. SAITO: It was a commitment made by the state of California, the state Air Resources Board, to US EPA as a commitment as

Bonnie, are you next?

part of the $\ensuremath{\mathsf{I/M}}$ program, so you can take credit.

MEMBER DECOTA: Thank you. Thank you, Dean, because I've been trying to get someone to speak to this for a long time, and what I'm saying is, if it is a technology that hasn't arrived, i.e., it's riddled with problems and it cannot be implemented without a considerable cost to consumers because of whatever reason and you've taken credit, haven't you put your Air District in jeopardy of not attaining its goal?

MR. SAITO: Well, keep in mind, the Air District did not take credit for the program; the state of California did. The state of California took credit for that commitment to address the shortfall issues that was identified in earlier I/M evaluation, and the reason why the state had to do it was to allow regions to demonstrate conformity with the transportation conformity regulation.

MEMBER DECOTA: Thank you. You've been very helpful.

CHAIR WEISSER: The answer to your question, Dennis, is yeah, it does put everyone in jeopardy in terms of meeting our commitments to -

MEMBER DECOTA: I just get confused, that old saying, of the people, by the people, for the people. Where's our (overlapping)?

CHAIR WEISSER: I'm ready to stand up and salute, Dennis.

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MS. HOLMES-JENN: Bonnie Holmes-Jenn - I'm not sure if I'm next, but I'm scampering up here - with the American Lung Association of California. I just want to make a very brief comment. I wanted to say that we strongly support what Jude Lamare has just stated in terms of the need for stronger guidance by the Air Board over the Smog Check program and we were a strong supporter of AB 386 by Sally And I just wanted to comment that the information that you've been hearing the last meeting and this meeting about the health effects of particulate matter are just it has crystallized the importance of having the Air Board have stronger oversight over this program. You've heard a little bit today, and I appreciate you going into this voyage in the health effects of air pollution. that's not the normal kind of realm of discussion here at the IMRC, but it is incredibly important to understand that particulate pollution and other air pollutants harm children's lungs for life, which means that these early exposures that they're having are going to impact the lung development, which will impact their potential susceptibility to lung disease later in life. And so in terms of elevated cancer risk, in terms of risks of developing asthma and other lung diseases, these early exposures are having a profound impact on our population. And I'm speaking extemporaneously, but I just wanted to

make the point that this information that you're hearing today about PM health effects is exactly why there needs to be stronger guidance and oversight over this important program, and the legislature just recently held a children's health hearing and there's more hearings coming up on this topic, and a lot of it boils down to, what are we doing about our vehicle pollution control programs?

What are we doing to ratchet down, to get more out of our vehicle control programs, especially Smog Check? And we just need to elevate the importance of this program at the ARB.

CHAIR WEISSER: Couldn't agree more. Thank you very much. I guess I would add, Bonnie, we wouldn't have a Smog Check program if it wasn't for our need to clean the air, to reduce emissions. The fundamental purpose of the Smog Check program is to clean the air. The fundamental purpose of the Air Resources Board is to clean the air. These two programs need to be aligned. Charlie and then Bud. We only have about three hours more of this meeting to go, folks. Fasten your safety belts.

MR. PETERS: Mr. Chairman, Committee, Charlie Peters, Clean Air Performance Professionals, representing a coalition of motorists. Mr. Chairman, I have to say that I am kind of blown away to see the kind of interest that's here today, and I appreciate it big time. In this room are people that

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are very significant policy people in the state government, besides the Committee, which of course has very significant standing in this process. But just to respond to the gentleman from South Coast, back before he went to South Coast, back when we were hearing the FIP procedure, on the first day of that hearing, which was ran across two months because there was people from all over the country - even Mr. Waxman was involved. It was just a very high profile situation. The ex-chairman who was still on the board talked to me about the possibility of going down and asking for support from the South Coast Air Quality Management District on improved oversight to improve performance. meeting was shut down at the end of the meeting. They shut down the consoles. Everybody was walking out the door. got up and walked up and said, gee, I thought I had signed up to comment on things not on the agenda. They restarted the meeting, restarted the electronics. All these people running out the door came back, made a presentation. agreed to address those issues. Never heard from them again. Here in my packet of information is where I testified to the Central Valley, San Joaquin Valley Air Pollution Control District, June 20th, 2002. Board Member Haggard requested that with regards to Mr. Peters' comments on Smog Check II, he would like to request that staff have a conversation with Mr. Peters regarding Smog Check II

program and prepare a briefing report for the Board. Never happened. In here it says that this information, these requests, need to be provided to the Air Resources Board so they can act on them. I believe that the 1994 legislation in California requires the Air Resources Board - the Bureau of Automotive Repair to be in charge of policy on Smog Check. I think that it's appropriate to give some support for the Bureau of Automotive Repair to enhance this program, make it work better, and this issue of business of possibly moving the program to ARB, who may want to move it to South Coast to create tradable credits rather than applying credits at the SIP level may be what this is about, and it's a really interesting business strategy that I think is not appropriate.

CHAIR WEISSER: Thank you, Mr. Peters. Mr. Rice?

MR. RICE: It's not worth responding to. Thank you, Mr.

Chairman. I hope to rise just one more time at the open comment session and that's it. One quick comment. As somebody that owns some repair shops and is governed by the Bureau of Automotive Repair, I'll tell you that there's been a market shift in the way that the Bureau operated a number of years ago to the way they operate today. Part of that problem, in my opinion, was a shift in funding where at one point in time, the BAR was almost a self-contained business unit for the state of California in terms of, they

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CHRIS:

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CHAIR WEISSER: Is it on legislation?

CHRIS: It is on legislation.

It's not 386.

had their own budget; Smog Check monies that were raised went back into the Bureau; they had great undercover programs going. They had a PICA program going; they had regional offices all over the place in terms of, guys could go in and talk to representatives. Most of that's gone, okay, and as the funding went from the Bureau to the Department of Consumer Affairs, so did a lot of the service in terms of, they had to shut down offices, lost a lot of members of the Bureau of Automotive Repair, and today I can't even tell you who the office manager is in the place closest to me. Now it's Richmond and San Jose. Well, we used to have San Francisco, we used to have Hayward, so there were a number of places you could go and a number of services that guys in my industry had access to that are no longer readily available to us any longer. My concern is, and I'm kind of matching up with what Mr. DeCota is saying, I'm wondering if siphoning off a little more blood out of the Bureau of Automotive Repair won't hurt them and in response to that, hurt us, and then in response, hurt the program in general. Thank you.

CHAIR WEISSER: Thank you, Mr. Rice. Any further questions or comments? Thank you. Chris? Sure.

It's -

CHAIR WEISSER: Then go. Give us a shot.

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This is a general question that probably should be asked and answered sometime in the future. There's been a lot of discussion in the last two committee meetings about the automobile's contribution to PM, and vis a vis diesel. 2004, model year exemptions for 2005 for fifth and sixth model year vehicles were exempted from the Smog Check program, as well as transfer of ownership for all cars four years and newer. In addition to that, there were fees put on tire sales. All the revenue in the fees that came from these vehicles that were exempted and the revenue that came from the tire fees were to go in to Carl Moyer to pay for mitigation of PM pollution. The question that I have as we bear this conversation out of automobiles' contribution to the PM pollution in this inventory in the state of California is, how much of the revenue derived from automobiles in the Smog Check program will come back to mitigate the PM emission from light-duty automobiles versus diesel?

CHAIR WEISSER: Are you making reference to the \$114,000,000 that has been borrowed to support the General Fund, Chris, over the last several years?

CHRIS: No, I'm making a reference to the new fees that were created when the vehicles were exempted out of the program and the new fees that were created on the sale of tires

that were to be put into the Carl Moyer program to, I guess, benefit diesel reductions for PM. We're now seeing the balances shifted, perhaps, that while diesel is a problem and continues to be a problem, we have an equal or greater problem on the light-duty automobile side as well.

CHAIR WEISSER: That's what some of these early indicators are,

that we could. I think it's very interesting. You raise a

very important question.

CHRIS: And if in fact, these fees are being derived from light-duty vehicles and they are for PM mitigation, I would suggest this Committee has some resources it can play with in looking at how to tackle the problem on light-duty PM pollution.

CHAIR WEISSER: Thank you very much. As we conclude this portion of the agenda, I would like to draw people's attention back to the triggering event, at least the triggering event in my mind, that switched me to the point where I became an advocate of moving policy direction from BAR to ARB, and it relates to the conclusion of the very late ARB/BAR joint study, where for over a year, this Committee held hearings, public hearings, on behalf of ARB and BAR. We had workshops, we had groups, subgroups, subcommittees working on various elements, all based upon the joint ARB/BAR study, which made, you know, a series of recommendations to improve the effectiveness of the Smog

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Check program. Literally a couple of days before our final meeting to adopt our report, which endorsed the recommendations of the joint BAR/ARB study, we were informed by the Bureau of Automotive Repair that they no longer supported those recommendations. Their partner in study, ARB, had not been consulted. Other state agencies, including the Department of Motor Vehicles and the California Highway Patrol, had not been consulted. rationale that we heard that day as to - at our meeting as to why they were backing off of these recommendations was along the lines of, we're already getting enough emission reductions from this program. And I'm sorry, folks, that's not what this program is about. That sort of leadership and approach is inconsistent with what the Smog Check program is about, in my mind. Thank you.

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Okay, I think our next subject is new report suggestions, and Rocky, following the meeting that we had at the - our last meeting, we asked you to solicit ideas from members of the Committee and also members of the public as to issue areas that this Committee might want to become engaged in.

MR. CARLISLE: Correct.

CHAIR WEISSER: So with that -

I should tell you, I also interjected some other MR. CARLISLE: issues that I have up here. I've got five issues that I

wanted to talk about. One is long term planning, another one is standardized program evaluation methodology. I know that's near and dear to Jude's heart. She's worked a lot on this. OBD II, which we've talked about today.

COMPUTER: This conference is showing no activity. If you'd like to continue the conference, press star one now.

MR. CARLISLE: We can turn that off. \$450 cost limit, which we've talked about, and last but certainly not least, the International Registration Plan, so we'll talk about them one at a time. First of all, one of - this is my opinion, but one of the problems with the program is, we tend to be reactive instead of proactive in a program that has significant impacts on health and consumers, and should I ask the automotive repair industry or Ed. It accounts for about \$800,000,000 a year in revenue generated. That simply is testing revenue and repair revenue.

COMPUTER: This conference is showing no activity. If you'd like to continue the conference, press star one now.

MR. CARLISLE: That does not include the certificate fees. So when you add everything up, it's pushing a billion dollars, and I don't think we ought to be reactive; I think we ought to be a little more proactive.

[Break in the tape.]

MR. CARLISLE: Sounds like we're back on line. Sorry about the confusion. So we were talking about proactive versus being

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reactive, so I thought about looking at what would the program look in 2010? What are some of the possibilities? First of all, it seems inconceivable to me that we're going to continue to test all the vehicles, or the majority of the vehicles in the fleet to find the 14 percent of the vehicles that really account for the air quality improvements, because when you look at the program, we're testing vehicles, it says here, 44 percent of the fleet annually. Got to remember, we're only testing every two years, so that actually equates to 88 percent of the fleet. We're finding 14 percent of those that are failing and we're cleaning those up, so in reality we're charging consumers approximately \$500,000,000 in test costs and generating somewhere in the vicinity of \$250,000,000 in repair costs, and it's really the repairs, not the tests, that generate the emissions benefits. So that was one Some of the tests, we could test fewer cars, based issue. on technology, but then we could test some annually. seems reasonable that a number of states are currently doing that with significant vehicle populations, and I would argue that anytime you're pushing a couple of million vehicles, I mean, while we can boast that we've got 25,000,000, we're the eight-hundred pound gorilla if you will, certainly 13,000,000 vehicles and 10,000,000 vehicles in New York is nothing to sneeze at, and they're doing it

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annually. So then you look at technology. What's it going to do? I mean, remote sensing continues to improve. talked about the downfalls of OBD II, but, you know, OBD III is on the horizon. It may contain bidirectional communications. That sends up a lot of flags for some people. I mean, certainly there's privacy issues to consider; if somebody can simply turn on a computer and find out where Mr. Hisserich had lunch, for example, or something like that, so that's a concern, but I think it also gives us an opportunity to look at some of these new technologies. Plus, we're going to have more durable vehicle emission systems, and one example of new technology: a couple years ago, BAR did a pilot. called the Network Car Pilot, and it was done in the early 2001, I believe, and the idea was to take a device created by network car and plug it into the OBD II system. what the agreement was, was these vehicles would be exempted from a Smog Check until December 2005. They also agreed to, if the MIL light illuminated, they would immediately have it fixed and repaired within 30 days. Now, it gave the ability - it gave BAR the ability, if you will, to look at a database and they could see the second a MIL light came on or a problem existed with the vehicle. And what would happen, they would immediately pull the exemption if they failed to comply with the requirement.

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don't have the results of that. I just know that pilot did take place and it's scheduled to expire, I believe, next So then you have to ask, do we still need ASM testing in 2010? I know that throws up a red flag, but by 2010, all stations, or the majority of stations in this state will have had approximately twelve years to advertise equipment. Bay Area stations will have had about seven. Now, I don't know what the answer to the question is; I'm just throwing this out for consideration. If OBD II and OBD III improve, given the fact that the majority of the states right now with programs use OBD II exclusively for 96 and newer vehicles, it seems reasonable to expect that there may be some benefit there. And should we continue testing vehicles in change of ownership program areas? we do change the program, you're going to have a problem in the change of ownership areas, simply because there's not a lot of stations and they only test when it changes ownership. Now, with the new exemption of the first four years, there may not be enough participants to even participate in that program. The other thing is, change of ownership areas are in compliance with air quality standards and the owners of those vehicles currently pay for benefits, or pay for the program, but they don't receive the benefits, per se. It's not that many inspections per year, but again, it's something to

consider. And the whole idea behind looking at some of these things is to really think down the road what this program looks like five years from now. Tailpipe testing of fewer cars, pro versus con. Well, certainly, you have a significant savings for the consumer. You save \$250,000,000 plus, cause that is the majority of the cost. You could improve cost effectiveness. You have less consumer inconvenience. They don't have to go to the station. And by the way, I did ask for security to escort me out of the building when I'm done with this presentation.

CHAIR WEISSER: Darn good idea.

MR. CARLISLE: It requires fewer stations and could possibly reduce BAR enforcement costs. The cons, reduces income to Smog Check stations and reduces revenue to the state, effectively DCA and BAR. I'm not saying these are recommendations we want to make; I'm just saying these are things we need to consider as a Committee. Some of the issues to consider if you reduce the number of tests would be, because of the reduced funding, you may want to request a audit of DCA funds by the Department of Finance. That's something they do on a regular basis, because the program changes may reduce BAR costs and it could negatively impact the Department of Consumer Affairs funding, and the

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to negatively impact them. It also requires planning and sufficient industry lead time. This is one of the areas that I really get concerned about, because when we make a program change, it's not uncommon to say, station owner in about six, eight months, twelve months maybe, you know, you're going to have to cough up \$50,000 if you want to continue to participate in this program. I think that's something that needs a little bit more lead time to give the industry an opportunity to make an intelligent business I don't think anybody in this room - I mean, some shop owners have had to do that, but most people are not going to want to just on a spur of a moment decide, I need to spend \$50,000. I'm just going to do it. And so I think we have a responsibility, really, to the industry, since they administer this program and have since 1984, to involve them, number one, in the planning of it, and two, to make sure they had sufficient lead time if it's going to be changed drastically, which again, technology may dictate So that was one thing. The other thing was standardized methodology for program evaluation.

protecting consumer at large, and so I don't think we want

CHAIR WEISSER: I'm sorry, Rocky. This first slice of what you just talked about is to try to put us in the position of thinking about the program in the future?

MR. CARLISLE: Yes.

CHAIR WEISSER: Now you're moving to a particular -

MR. CARLISLE: Just the topics. I was just trying to give the

Committee something to consider.

CHAIR WEISSER: Okay, potential future work topics.

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CHAIR WEISSER: So one might be long-term program design, sort

of.

MR. CARLISLE: Exactly.

CHAIR WEISSER: Okay, and now we're moving to -

10 MR. CARLISLE: Moving on to -

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MR. CARLISLE: You bet.

|| CHAIR WEISSER: Thank you.

MR. CARLISLE: And my hope was, maybe, before the end of the day, we assign subcommittees to these, because we have two months within which we can work within and maybe come up with some ideas. So currently, we talked about program evaluation. The last program evaluation was done - let me back up - required January 1st, 2003. It's potentially going to be delivered January of 2006. It's based on 2002 data, so it's somewhat limited in its ability to predict what's going on right now. We have a lot of data. We have millions and millions of test records, but one of the things we could do is turn off the Fast Pass for one day out of the year. That would give us over 30,000 data

points, or 30,000 samples, if you will, to do a program evaluation. At most it adds 90 seconds to the test, because the maximum test cycle is about two and a half It normally takes about 30 seconds per drive minutes. trace, 15 miles an hour and 25 miles an hour, so you're not going to extend anybody's time that long, and that's the only part of the test it really impacts, is the drive trace itself, and this would give us the ability to get consistent emissions results when we look at the data. might want to consider remote sensing devices. You could collect a representative sample of vehicle emissions. reason it says not random, I mean, you could collect a random sample in south central Los Angeles, but I would argue that would not represent, maybe, Beverly Hills or, you know, some other high income area. So you'd want a representative sample of possibly 20 locations around the You could use roadside Smog Check inspection data, if that's still being done. I know that the Bureau of Automotive Repair has had a significant workload placed on them by remote sensing, so a lot of their staff has been transferred to that project. And then another component of it really should be a consumer information survey. Like I mentioned before, consumers pay the bills for this program, but we know the least about them. And one of the issues that we talked about earlier was you know, what do they

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actually pay for the Smog Check inspection? Maybe instead of the \$48 that I continue to cite based on the BAR website, maybe it is \$20. Don't know. So I think this would all help in the evaluation methodology. Currently, BAR has the ability to do a random roadside test and they typically, or they would, like Sylvia mentioned earlier, conduct an evaluation based on that, compare that to the model, but with insufficient staffing, I don't believe they've been able to do that, but I'm going to follow up on The last time I checked, they had an inability to actually conduct any large number of roadside tests. So my thought was, we need to develop a program that evaluates emissions reductions in tons per day, helps calculate cost effectiveness, and also would maybe help us in determining repair durability. So what are the benefits of it? benefits, first of all, it allows us to comply with the Health and Safety Code. We're supposed to report, at a minimum, every year to the legislature and the administration. It also allows us to make a year-to-year comparison of the program improvements and it provides an evaluation of consumer experiences relative to the Smog Check program. So I think it's got a lot of benefits.

Then we were talking about OBD -

24 | CHAIR WEISSER: Excuse me, one second, Rocky.

MR. CARLISLE: Yes, sir.

|| CHAIR WEISSER: Jude?

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MEMBER LAMARE: If you don't mind, I'll just comment -

MR. CARLISLE: Absolutely.

MEMBER LAMARE: - on this discussion of standardized program evaluation methodology. At the end of our effort last year, we talked about things that we hadn't really coped with, and one of them was called standardized program evaluation methodology. And as I recall, my concern in raising this issue is that the evaluation of the Smog Check program by the Air Resources Board and the Bureau of Automotive Repair appears to be put together on a kind of a custom basis from time to time. Even though the agencies are required to report every two years, as I recall, we've had a report in the year 2001 and one in the year 2004. thought I heard you say, Rocky, that you thought there was going to be a report in 2006, but in fact, Air Resources Board has already told us that it will be two more years before their data analysis contract is complete and the report is prepared, so there will be no report for two more years.

MR. CARLISLE: No, I was alluding to the one that was due in January 2003.

MEMBER LAMARE: Yeah, and so one of the troubling concerns here with program evaluation is that, although there are stated deadlines, those deadlines are never met and there is not a

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standardized program evaluation methodology, which is kind of ongoing. There might be a number of ways to address that issue. I don't see that as an IMRC research program, as you've alluded to here, that we need this because then IMRC could report. The fact is that the state agencies are responsible for evaluating their program and saying whether or not it's meeting the air quality goals set for it, and our concern is that unless they do so in a systematic and regular way, then we don't have - understood, John - we don't have anything to work with, unless - budget and So these are some of the way - you know, while these are some of the things that we think should be done for program evaluation on a routine basis, the point is that it's a routine basis. It's not something that gets cranked up every once in a while and then we sort of take a look at it.

MR. CARLISLE: Correct.

MEMBER LAMARE: But it seems to me that this Committee should consider making a recommendation to the agencies that they actually have an ongoing evaluation unit that is a permanent part of the annual budget and is budgeted at a level that allows for these kinds of ongoing evaluation activities. The data is constantly coming in, and then at periodic times, it is reported back to us in some way that allows us, then, to carry out our statutory obligation. So

I hope everyone appreciates the difference between what the agencies do today and what is talked about here, which is much more of a routine evaluation function, versus an occasional evaluation study which results in a report which is put off for many, many months, if not years, that our expectation would be a much more routinized evaluation process.

CHAIR WEISSER: So your concept in terms of the work of this

Committee would be to identify a series of parameters that

you would think the agencies should be developing data and

performing an analysis on every, you know -

MEMBER LAMARE: On a continuous basis.

CHAIR WEISSER: On a continuous basis for leading to a report that would be coming in on a regular basis to us, to other stakeholders. Rather than the identification of the particular subject areas, this Committee would go and you would try to develop a template, essentially, that the agencies should be following for their ongoing program evaluation efforts. Is that correct?

MEMBER LAMARE: That was the idea.

CHAIR WEISSER: Thank you. Dennis, I'm sorry.

MEMBER DECOTA: And I don't want - I just want clarification.

understand, but I've always felt that it was our

responsibility in the IMRC to evaluate the existing

programs and make recommendations.

CHAIR WEISSER: Yeah, I don't think Jude is shying away from that whatsoever.

MEMBER DECOTA: No, I know, but if we have to wait three years for a report, the real world scenario on the street says this isn't working. We must be able to say we have insufficient data, but this is what we do have data on, and be able to make a recommendation. Am I not - am I tracking properly to what you're saying?

CHAIR WEISSER: I'm going to take the question going to the Chair.

MEMBER DECOTA: That's fine.

CHAIR WEISSER: I agree completely with you, Dennis. We're not going to be waiting two years or three years for data coming from the departments. There are things we can do on our own to generate at least some data, and there are things that we can do in terms of our evaluation they don't need a lot of data on. There's just some things that we can do. I don't think Jude was saying anything contrariwise to that.

MEMBER DECOTA: We need to compile it in a method that is a presentation (inaudible) basis, right? I mean -

CHAIR WEISSER: I don't know what you mean by that. You better speak into the microphone.

MEMBER DECOTA: What I'm saying is, I need - we waited a long time for BAR and ARB's last report, which stymied us from

getting our reports to the legislature -

CHAIR WEISSER: That's correct.

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MEMBER DECOTA: - on program effectiveness, okay, and what we felt that was - on an ongoing basis, through our meetings, are we taking and setting up a methodology of putting together an annual report?

That, I think, is personally the problem, and CHAIR WEISSER: kind of a fundamental issue that we're going to have to come to grips with, and Rocky, I don't want to disappoint you, but I think the chances of getting closure on this today are somewhere between slim and none. I think because we have no regular template for how the agencies do the report, nor do we have any history of regular reporting from the agencies that could feed into our system, we are forced to come up with what we're going to do on an annual basis, to a pretty ad hoc fashion, in a pretty ad hoc We've got to identify targets of opportunity that fashion. will, you know, come to light in different forms year by year when the data sets come from the agencies, hopefully in response to a template that we send out in one of our earlier recommendations. At that point in time, we would regularize the analysis and our comments on the data-based analyses that comes forward, but I don't think we should and can wait two years to make important program recommendations in those areas where you don't need the

data, or you have to do something even if you don't have perfect data. There might be opportunities for us to generate some data on our own, but considering our resources and the resources of other stakeholders, that pales in comparison to what we should be able to get out of the agencies and what we should be demanding out of the agencies on a regular basis. So back to the point: my sense is, is that on this particular item, we need to get Jude and Rocky together and come up with a template of what you believe the data needs are going to be. Okay.

MEMBER LAMARE: That was well presumed.

CHAIR WEISSER: Yeah, I thank you very much on that part.

MR. CARLISLE: It wasn't my intent to get consensus today,

because certainly these are broad issues, but it was just

more food for thought than anything.

CHAIR WEISSER: And you've achieved whetting my appetite. We are missing five of our members also, so -

MR. CARLISLE: Correct.

CHAIR WEISSER: - we're going to have to go through a process here, I'm afraid. Please continue, Rocky.

MR. CARLISLE: So the next issue is OBD II, and as I mentioned earlier, there's 34 states that currently use OBD II and I/M testing, but 32 of those use it exclusively for 96 and newer model years. California is one of the exceptions.

We use the tailpipe, visual, and functional test in

addition to OBD II, and Colorado uses OBD II only as an advisory. Even if the MIL is illuminated, in Colorado the car is still a passing vehicle provided it passes tailpipe.

CHAIR WEISSER: So Rocky, what you're suggesting is, one issue that we might want to get involved in is to review what's going on with OBD and to make a report to the administration and the legislature indicating what we find?

CHAIR WEISSER: Okay.

MR. CARLISLE:

MR. CARLISLE: And in that endeavor, I would suggest we invite expert testimony from any, you know, resource available:

ARB, BAR. Colorado certainly has representation.

CHAIR WEISSER: EPA.

Correct.

MR. CARLISLE: Tool and Equipment Institute, and I'll explain that. Vehicle manufacturers, test equipment manufacturers. Economists is [sic] a big deal, because again, this has a potential of saving significant amounts of money. And automotive repair associations.

CHAIR WEISSER: Very good.

MR. CARLISLE: Some of the issues are in 2010, 67 percent of the vehicles are going to be equipped with OBD II or higher onboard systems. The equipment itself is currently available, so it may not need a new specification, which is very costly for the state. You save money because the cost is less due to the economy of scale and it's already proven

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MR. CARLISLE: - hot topic.

the test.

CHAIR WEISSER:

be -

20 CHAIR WEISSER: - a pretty interesting topic, sure.

technology. I mean, OBD II testing is pretty

you could argue the (overlapping).

same results as other testing protocols.

straightforward. You test for monitors, you know, run to

completion and codes. That's pretty much it. Of course,

places where, you know, it's not necessarily reflecting the

MR. CARLISLE: True, but one of the things that was brought up

that maybe it is possible that an early OBD II MIL,

prevent a, you know, a huge failure down the road.

into a debate on it, because I do think this is a good

study area for us, and I think folks would appreciate some

third party looking at the issue of OBD. Seems to me to

although it appears to be expensive emissions reductions,

one thing it doesn't take into consideration is the cost of

That's considerable. And then maybe it does

I don't think this is the time or place to get

We heard a bunch of stuff today and in other

So it may provide the program - it may provide MR. CARLISLE: the program with flexibility needed to implement annual testing. For example, if you could reduce the amount of testing or cost of testing, maybe then you could encourage the legislature to do the annual testing on other vehicles

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that tend to be a little dirtier. It could reduce the ability to continue the change of ownership program as well, because once again, if you change the program too dramatically, the change of ownership program may be at Pros and cons based on Oregon test data: it reduces the test time from the time the consumer steps out of the vehicle till the time they step back in to six minutes. Now, if you assume \$75 an hour, you know, that would be \$7.50. That's not realistic, but that would be a calculation on the pure test itself. If you assume a \$20 test fee, though, it saves the consumers 260,000,000 annually by 2010. The planning for the 2008/2010 program change allows the automotive industry to make an intelligent business decision regarding the Smog Check program. Do they want to stay? Do they want to get out? May eliminate some of the marginal emissions reductions. Some of the marginal emissions reductions may be costing as much as \$70,000 per ton. On the flip side, it may result in some emissions losses and it would result in a loss of revenue to Smog Check stations. So again, just for your consideration. The other issue we've been talking about, we talked about today, is the \$450 repair cost limit. had mentioned last year, I believe, it was 1,200 repair cost waivers were issued. One of the questions was, do these include the low-income waivers? Low-income people

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have a different standard to meet. The normal standard is \$450, but low income, as I recall, is \$250. Were there repairs required or did the consumer have estimates that exceeded the repair cost limit? I don't know the answer to that question. But a more important question to me was should waivers even be issued when we have a repair assistance program? You know, we have a \$450 repair assistance program. Actually, it's \$500. Even with the low-income pay, that gives you \$520 to repair a vehicle. Why are we issuing even 1,200? And then what are the pros and cons of increasing the repair cost limit? Who's going to be negatively impacted if we do in fact have a lowincome program? And I can tell you anecdotally, my experience with the program in years past has been, when you talk about emissions repairs, if you tell somebody they have to spend \$150 to repair an emissions device so they can clean up the air, they'll balk. But if you tell them it's going to be \$600 to fix their air conditioning, it no longer is, well, why; it's how soon can I get my car back? You know, and that's based on just my twenty-six years of experience in the industry. So it's a matter of choice.

CHAIR WEISSER: You're such a cynic.

MR. CARLISLE: I know. And finally, one issue that's been brought up repeatedly, and it may have some validity, but I think it bears some research, and I'll explain why. First

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of all, we currently have 1.43 million vehicles registered through the International Registration Plan. Now, the DMV estimate is 90 percent of those are diesel-powered vehicles, which are exempt at this point in time. leaves 143,000 gasoline-powered vehicles that have virtually no Smog Check program at all that I'm aware of. Now, it depends on the area where they're registered, because if they're registered in an area in another state that requires a Smoq Check program, then they would be subject, but just a couple of companies that I did check on, they happened to be in a - like, would be a change of ownership area for us, so consequently they have no emissions testing requirement. That number, by the way, does not include vehicles coming from Mexico under the NAFTA program. There could be emissions benefits there we're not even aware of, and to our knowledge, none of these vehicles are subject to I/M testing. There was a program that was going to be started a couple years ago with border crossing vehicles, but to my knowledge, it hasn't been implemented to date. It was basically going to require vehicles coming across the border to be smog checked if they were dirty, but I don't know what the status of that is yet. But the IRP, it does require some more research. We should be validating the number of gasoline-powered vehicles, maybe assess the emissions from

it's possible to do it with remote sensing, with a small sample of vehicles. We can also talk to the American Association of Motor Vehicle Administrators, get testimony from them. We can get DMV expert testimony, but the bottom line, even if we find that there's an issue with these vehicles, the best we could hope to do would be get a legislative resolution seeking a change - [coughs] Excuse me - because this is really a federal issue that we have no control over directly. And that, Mr. Chairman, concludes my report.

this fleet. That's going to be the difficult part, but

CHAIR WEISSER: Thanks very much. Good job. If we had gotten to the subject when I thought we were going to get to it, Rocky, I'd now say we need about a 15 minute break for me to medicate myself and do some heavy thinking. Excuse me? FEMALE: Let's work on it in December.

CHAIR WEISSER: My belief is that what we need to do - by we, I mean you - is to individually call each member of the IMRC and ask - do not do this by E-mail, cause you know how bad we are on E-mail - and ask them what are the three things that you would like us to focus on next year? And if they go to four or five or six, that's okay, but get three things out of them. Give them a list of suggestions. You can send that out by E-mail, but we need to solicit ideas from our members in a way that will, I think, have to

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replicate something like what we did our last time around, where we had a list of potential issues up on the wall and we kind of put our energy into where we had energy. the context of your 2010 vision, but I have to say, it ain't my 2010 vision, and I doubt it's reflective of anybody's two thousand - we all have different ideas of what a future might look like, and it might be an interesting time for - it might be an interesting period of time for us to cut out an hour or two one meeting and just talk about, what do we see this program like in 2010, 2020? But I think for what we need now is that very nitty-gritty list of subject areas that we're going to try to focus on to make a report to the legislature on recommendations that would hopefully provide help and assistance to BAR and to ARB in meeting their giant responsibilities. Issues that aren't on here that I'd be tossing out would include, show me the money. Where is the money that goes into the Smog Check program? How is that used? How much of it has been We know that it's \$114,000,000. borrowed? What's the status of that? I want to highlight that money, guys. think we gotta keep shining a light on it or we'll never see that money come back to clean the air. I'm also interested in having a real audit on how the money that comes into the program is used in ongoing operations at BAR and elsewhere.

MR. CARLISLE: When you say real, you're talking about D of F or outside?

CHAIR WEISSER: I don't think you can go to Department of

Finance for that kind of an audit. I think you have to
have an outside auditor.

MR. CARLISLE: Okay.

CHAIR WEISSER: Now, whether that's the Auditor General or an external auditor, I don't know. And I don't know if that's the most important thing. I don't know if other people are interested in that either. It may not be a big issue. I don't think that sort of audit's been done for the program for quite a period of time. Is it time? I don't know, but I guess that's one I'd throw out. I'll bet there are other ideas that our members, new and old, will have on issues they're interested in following up, and that's what I think we need to do.

MR. CARLISLE: Again, the whole idea behind this was just to spur some interest and get some input.

CHAIR WEISSER: You've done that, and I hope you have the
Oakland Raiders lineman here ready to escort you out,
Rocky, because you are not without controversy. You've
said things that people have thought about. I mean,
everybody in this room must have been thinking about, you
know, is there going to be a confluence of OBD 14 and
remote sensing that's going to make the notion of having

MALE: Hybrid vehicles and their impact.

test and repair and test-only stations obsolete, you know?

MR. CARLISLE: That's a possibility, but by the same
CHAIR WEISSER: Well, I have a real hard time actually believing it ever will be a reality, but I think we're certainly seeing a situation where you don't - you know, with OBD that works and remote sensing that works. You might have far fewer need for a large number of stations.

MR. CARLISLE: Exactly.

CHAIR WEISSER: I do think you're going to need test and repair stations, but other people here may not. It might be real interesting for us to have this kind of very open discussion about what, you know, what in the world of Tom Swift are we going to have as, you know, a test industry?

MR. CARLISLE: Well, again, I think, you know, one of the things that happens, we come down to the wire and oftentimes as a result of a lawsuit by somebody else that all of a sudden, we have to implement these things and it's done at very quick, very short notice, and the industry doesn't get the opportunity to really make a decision.

CHAIR WEISSER: But there are a lot of nitty-gritty issues that have come to our attention over the past couple of years that might be good fertile subjects for us to dive into.

The high emitter profile, how is that developed? Are we comfortable with how that's used?

1 CHAIR WEISSER: Hybrid vehicles, that's a good idea. The issue 2 that we raised and made a recommendation in our last report 3 regarding annual inspections for high mileage vehicles and 4 for older vehicles, I'll be damned if I'm going to let that I mean that's an issue where we need to keep pushing 5 6 and if it requires a supplemental report, so be it. 7 should be pushing that. It's a very difficult issue for 8 the political arm of our decision-making process to get 9 around, to get their arms around, and they'll never do it 10 unless we keep putting it up there, if we believe that 11 continues to be a good recommendation. I personally do, 12 but maybe there's - maybe I'm wrong. Anyhow, Rocky, over 13 the holidays, I would ask you to contact each and every 14 member to come up with a list of things that they're 15 interested in doing. I like what you've done, Rocky, 16 because you just added something to our list, and I think 17 it might be really interesting to carve out a meeting where 18 we talk about what's this program? You know, how would you 19 envision this program in 2010 and 2020? It might be very, 20 very interesting and frightening. Who knows? 21 suitable for the rest of the Committee? Is the Committee 22 comfortable with what I've just outlined? Okay, then so be 23 We're now going to move to the public comment portion 24 of the agenda. Whoops, what did I miss?

FEMALE: 14-A. 14-A.

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CHAIR WEISSER: I'm so sorry. We have report topics and we have
a preconditioning work. A lot of work has been done on
this and we want to thank the folks that have done that.

And do you want to kick this off, Rocky?

MR. CARLISLE: We can kick that off or we can postpone it till the next meeting. Your call.

CHAIR WEISSER: I'll go with the will of the Committee. Do we want to do it now? Anybody object to doing it now? Then let's do it now. How long will it take? Half an hour?

MALE: I don't think it'll take a half hour.

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CHAIR WEISSER: Okay, please.

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MR. CARLISLE: Okay. This is just preliminary results of the preconditioning survey we've been working on for a while.

And as you recall, the purpose was determine whether or not there was a problem with vehicles that were not properly preconditioned prior to testing, and it could result in false failures, commonly referred to as errors of commission. And of course, the potential impact is, it's time consuming for the consumer and there's an increased expense involved for the consumer as well. So a little bit of background. Preconditioning is actually required by the Health and Safety Code, but currently there's no specific definition. I mean, preconditioning - the Health and

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Safety Code says that the vehicle emission systems shall be warmed up to operating temperatures and stabilized operation. Other than that, it doesn't say how you get them to that condition. The Smog Check inspection manual suggests, in pertinent part, that the technician perform the following: turn off all vehicle accessories. Make sure the vehicle's engine is warmed up to normal operating temperatures, and it suggests you can do that in a variety of ways: by checking the upper radiator hose, using an infrared barometer, which is a device to check the actual temperature, check the temperature gauge, just a variety of But the manual also prohibits any excessive preconditioning. Unfortunately, it has no force of law. None of these do because they're not codified in regulation. And there's a number of things they suggest. Even in 1998, as I recall, there was a special ET blast that went out to all Smog Check stations and it was followed up in the Smog Check advisories on the proper methodology for preconditioning an ASAM vehicle, and it essentially said, let it idle for three minutes. But once again, that was only advisory. There's no way to enforce that. So the methodology we use was to develop a telephone survey. We came up with a questionnaire and it had 20 questions, four of which were demographic in nature, and we selected a random sample of stations with the help of

Jeffrey Williams. And the criteria was, we wanted stations that had averaged 100 tests per month for the last 90 days. Now, bear in mind that that sample was taken in December for October through December of 2004, so consequently there were higher volume stations then than when we actually did the survey, because in the process, the reductions took place. So the survey's conducted. They were conducted during normal business hours from July 28th through October 6th. We completed 397, and I have to tell you, the shops, in spite of some of the concern, they were very supportive and very helpful. Some of them would go on and on. They'd still be talking to Janet if she'd allowed it, and she did an excellent job in conducting those surveys, because I should mention, we did those in house, and she did every one of them.

CHAIR WEISSER: Where did our surveyor disappear to?

MR. CARLISLE: I don't know.

FEMALE: She's at the (unclear).

|| CHAIR WEISSER: Please continue.

MR. CARLISLE: So one of the interesting things, when asked whether or not they preconditioned the vehicle before smog check, technician responded - 39 percent said all the time, 37 1/2 percent said some of the time, and 23.4 percent said never. Now, the problem with the never: I'm suspicious of that, because I can't imagine a technician bringing a

vehicle in that's stone cold and just running it on the dynamometer. I haven't seen it happen in practice, but -

CHAIR WEISSER: Because it would fail?

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MR. CARLISLE: Because it would probably fail.

CHAIR WEISSER: But wouldn't failures potentially result in -

MR. CARLISLE: - higher repair costs? Yes.

CHAIR WEISSER: Yeah. Okay, go on.

MR. CARLISLE: And then the preconditioning procedures were determined by a number of ways; for example, wait time. 60 percent of the respondents said wait time was what they determined for preconditioning. Vehicle age was another and, of course, mileage was 19 percent of the time. and repair stations appear to precondition more often than test-only stations, but I should mention that when you looked at the data, it was pretty obvious, because at test and repair stations, they also waited longer before the test, you know, as opposed to test-only stations. only stations typically, you know, they're just in and out, and many test and repair stations, you have to make an appointment to get a test and the subsequent repair. one thing the survey did suggest was possibly some confusion among technicians as to what the preconditioning was about, because many of them said that it's illegal to precondition the vehicle. As I mentioned before, in contrast, the law says you shall precondition. It doesn't

give an option. So the question is, what is preconditioning? It's not defined anywhere. So the goal of the report was really to determine if a preconditioning problem exists, contributes to false failures, and a pingpong effect. And one of the things we found, and this is at a minimum, I should mention, but based on the survey, 1.1 percent of the failed vehicles could be false failures. Okay. That's very conservative, and if you apply the 2000

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CHAIR WEISSER: Excuse me, Rocky, how did you derive that number? You have some stats you can share with us later? Yes, this is the number - yes. MR. CARLISLE:

Okay, thank you.

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MR. CARLISLE: Then we looked at the BAR 2005 Executive Summary Data Report, and we took that 1.17 percent and applied that to the fail rate and it could be costing consumers \$836,000 a year. Now, I should mention that the 1.17 percent false fail, if it is a valid false fail figure, it's well within the five percent allowed by statute. But by the same token, it's still over \$800,000 it could be costing consumers. And the question was asked, basically, has a vehicle come into your shop that previously failed at another station and passed at your shop with having no So one of the issues is, are we sure they had no repairs? repairs? You know, it's all based on the survey

respondents. So the only recommendation we really came out of this was to - a couple things: clarify the sections of the Smog Check Inspection manual regarding preconditioning and then consider specific preconditioning procedures or multiple preconditioning procedures that you would codify in regulation that you could say, you know, you have to use one of the following for the sake of consistent test results. And that pretty much concludes the update for this report. Everybody has a copy. I've provided copies on the table as well, and I also forwarded a copy to BAR and ARB - not ARB, but BAR - of the draft report.

CHAIR WEISSER: Thank you, and now that Janet's back in the room, on behalf of the committee, Janet, we all thank you for your work in dialing for dollars. Well, it wasn't really dialing for dollars; it was dialing for surveys on this. Survey work is tough, and I'm pleased to hear the report, how cooperative the service - the folks were, the station folks were. But I'm sure that's due to your sylvan voice greeting them over the ether. You know, the issue here - somebody correct me if I'm wrong - is, do we now try to translate this survey into, you know, this draft report into a final report which we send to BAR and ARB and send a copy to the legislature, whatever. And if we do, what do we say in that report? I mean, it seems that the existing structure requires, without specific direction,

preconditioning. I'm very curious, and I'd like to, at
least next meeting -

CHAIR WEISSER: - to this Committee coming to the decision as to whether some additional direction is desirable, that we would recommend additional direction be provided. So would that be possible? All right, so you'll share the information that you've garnered to date, the draft, with BAR, ask them to look at it.

MR. CARLISLE: They already have a copy.

CHAIR WEISSER: And I'd like to - how long have they had it?

MR. CARLISLE: Only about a week.

CHAIR WEISSER: Yeah, so that's - have you had a chance to look it over? Do you have any reactions? What do you think we ought to do?

MR. COPPAGE: (Overlapping.) Alan Coppage, Bureau of Automotive Repair. Yes, I have. I took a look at it. Rocky was nice enough to get it to me very quickly. Took a look at it and he and I have even spoken about it on the phone. As the preliminary report does allude to, there seems to be a significant amount of confusion over the definition of the word preconditioning. Ask that of 15 different people, you're going to get a lot of different responses. I was actually just going over the fancy blue book in our section that addresses before-test conditions, and we have massaged this for years on how best to respond to someone who said

well, that's not the way I read it. Oh, well then, how would it better suit you? So we put pen to paper and we attempt to do that and somebody else infers something, so on and so forth. So as I was looking at this, these are how the technician begins the emissions portion of the inspection, how they determine if the vehicle is ready to be inspected, and as we looked at that from a licensed technician's perspective - and I did these many times for a living - how you view that vehicle is how you assess its readiness. And if you assess its readiness as being ready, you're going to say, I won't precondition. And then the word preconditioning comes up, another technician says, well, I thought BAR said you can't do that. See all the faces of the Committee members are looking at me going, what?

CHAIR WEISSER: You're making a good case that some sort of clarity needs to be added.

MR. COPPAGE: And the point - well, and the point is, that has been an ongoing struggle for the Bureau to try and have concise, complete clarity for every reader, and we do receive input. And the fact that we have modified it and clarified it over the years is testament to the fact that we do listen to the technicians as they say, I don't really understand what you're asking me to do. So this has received numerous iterations.

CHAIR WEISSER: This particular aspect?

MR. COPPAGE: Yes, absolutely. Yeah, and I've got a whole stack of these blue books, multiple revisions, and every one you read are different, because we're attempting to clarify and re-clarify and re-clarify what those requirements are.

CHAIR WEISSER: Thank you, I think. Please, Dennis?

MEMBER DECOTA: I think he's being - gentleman's being very honest in what he's saying. I think that is the industry's - is very, very confused. I don't think putting it in the manual is going to accomplish anything. I think if you put it on the menu and they had to answer the questions, they would do it and it would be done. It's a simple, you know.

MR. COPPAGE: I appreciate your comments, Dennis. Thank you, and I can tell maybe by the look on your face, this is coming from a BAR-90 world. In the old days, when the BAR-90 machine, as you did your two speed idle test with the old platforms, it would say, the vehicle has failed; prepare to perform preconditioning. And it told you exactly what to do and how to do it, and for how long to do it. Those of us that come from that understand that clear procedure. Those that have not experienced that don't have a foundation to build upon. The new technicians are saying, wait a minute, preconditioning? Hang on a second. What are you guys talking about? The old timers look at that and say, I know exactly what we're talking about. So

1 that is the struggle from the Bureau of Automotive Repair's 2 perspective, is to put pen to paper in a language that 3 everyone will understand.

CHAIR WEISSER: Well, you guys are the expert.

Cool.

MR. COPPAGE: If I could find that author, I'd love to put a pen in his hand.

MR. CARLISLE: I should mention, too, that BAR did, to some extent, a parallel survey in the Sacramento area -CHAIR WEISSER:

MR. CARLISLE: - because they were asking similar questions. We had probably a dozen people allude to that when we were talking to them, well, you're the second person that's talked to us. And when we checked, it was, you know, somebody we know at BAR and they were doing a parallel analysis. And so I'd be - I'd want to ask BAR to sit down with them and compare their analysis to ours before we finalize this.

MR. COPPAGE: That'd be very helpful for both parties.

19 CHAIR WEISSER: Jude?

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MEMBER LAMARE: Thank you, Mr. Chairman. If it is the age of the technician that's highly related to the level of confusion, then question 20 asks how long have you been a licensed Smog Check technician, and if that's the case, then we should see a statistically significant difference, and let's hear back on that.

- CHAIR WEISSER: Well, Rocky, where do you recommend we go from
 here? You have a draft report?

 MR. CARLISLE: I have a draft report, but it is a rough
 draft, admittedly. I would like to meet with BAR, like I
- draft, admittedly. I would like to meet with BAR, like I say, and look at their data as well, and then make some recommendations to the Committee.
 - CHAIR WEISSER: Fine, and who is acting on the Committee? Do you have any You're working with Dennis, I'm assuming.
 - MR. CARLISLE: Bruce and Dennis.

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- 10 CHAIR WEISSER: Bruce and Dennis, terrific. I don't know if
 11 it's legal, but it seems to me that Roger ought to be
 12 involved in this, too.
- 13 | MEMBER NICKEY: Boy, do I agree with that.
- 14 | CHAIR WEISSER: So I don't know how you can do it.
- MR. CARLISLE: I'll talk to Bruce and see if he wants to step

 aside for that and we'll assign him to the (unclear)

 Committee.
- CHAIR WEISSER: I think that would be a good idea to get both our test and repair and test-only rep involved.
- 20 | MR. CARLISLE: And if (overlapping) -
- CHAIR WEISSER: No, you're stuck. You're not going you're not going anywhere, fella.
- 23 MR. CARLISLE: That takes care of that.
- MEMBER NICKEY: Are you suggesting that Dennis and I work together?

- 1 | CHAIR WEISSER: Yes, I am.
- 2 MR. CARLISLE: This should be interesting.
- 3 | CHAIR WEISSER: We're going to expect you guys to hold hands and
- 4 | sing "Kum Ba Yah" at the next meeting.
- 5 | MEMBER NICKEY: You know, we did work together at one point.
- 6 CHAIR WEISSER: You don't really know it, but you are working
- 7 | together right now.
- 8 | MEMBER NICKEY: That's good.
- 9 CHAIR WEISSER: You really are. I mean, okay.
- 10 | MALE: Can I just ask a question real quick?
- 11 | CHAIR WEISSER: Please, but let's -
- 12 | MALE: On the questionnaire, as Jeff pointed out, it says, how
- long have you been a licensed Smog Check technician? Did
- 14 we ask that?
- $15 \parallel MR$. CARLISLE: Yes, we did. That was one of the demographics.
- 16 | MALE: So those data are somewhere in the mix.
- 17 MR. CARLISLE: We have that, yes.
- 18 | MALE: So we could take a look, as Jude suggests, to correlate.
- 19 | CHAIR WEISSER: Okay, is there any further discussion on this
- item? Good. Hearing none, we're now at our time for
- 21 public comment.
- 22 | 000 -
- 23 | Is there anyone that has any public comments they want to
- 24 || make? Mr. Rice?
- 25 | MR. RICE: Thank you, Committee. I'll go quick. I'm not quite

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sure how to address this, but there's something kind of strange going on out in the real world in terms of Smog Check test and repair versus test-only. A new phenomenon happens to be that the test-only guys - and I'd like to kind of direct this to the BAR guys while they're here - they will charge one price to a customer that comes in who's a test-only customer and a different price to somebody else, so it's kind of like going to McDonald's and getting a single patty and getting charged double patty price when you're still going to get the single patty burger.

- CHAIR WEISSER: Well, their sense, Bud, is they have a captive audience, in some ways.
- 14 MR. RICE: Right, right.
- 15 CHAIR WEISSER: So you think they're taking advantage of the
 16 directed customers, then?
- 17 MR. RICE: Yes.
- CHAIR WEISSER: Who, of course, have the option of flipping the
 guy off and going down to the next test-only station,
 right?
- MR. RICE: Yes, I'm not sure if that is approved by BAR, and really, if it is -
- 23 | CHAIR WEISSER: I have no idea.
- MR. RICE: Really, if it is, that's fine, but it's something kind of strange about that.

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CHAIR WEISSER: I agree. It's not a business model, I suspect, will be particularly successful, but perhaps our test-only representative or our test and repair representative has something they'd like to add. Roger?

MEMBER NICKEY: Well, that's right, and I've seen them. charge up to \$20 extra for test-only. I've also seen them charge \$20 for extra for no paperwork. If you arrive without your renewal form, since you don't have a barcode to scan, they charge \$20 extra. I have also seen them charge extra for document transmittal. I've seen them charge extra for timing checks, EGR functional checks, and all the stuff that should be part of the test, and I've been screaming about this for quite some time.

CHAIR WEISSER: These are test-only stations, you're saying, or are these all stations?

MEMBER NICKEY: Let's just say all stations.

Okay, if that's how you want to - I don't have CHAIR WEISSER: any idea if it's illegal for them to have differential Maybe the folks from BAR could illuminate us, and pricing. I see Randy is now anxious to engage, so that's good.

MR. COPPAGE: Again, Alan Coppage, Bureau of Automotive Repair. The Bureau of Automotive Repair does not regulate price. That is not the business that we are in. We have not, other than the price of the certificate, been given the authority to say what Smog Checks will be charged for.

CHAIR WEISSER: Thank you. Dennis? Hang on. Dennis?

MR. DECOTA: But isn't it true that your advertised price is the

price you must charge?

MR. COPPAGE: Absolutely.

5 | MR. DECOTA: Thank you.

MR. COPPAGE: Yes.

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CHAIR WEISSER: Randy, do you have something you'd like to add?

You've been so unusually quiet today.

MR. WARD: Mr. Chair, Members, as long as they have a posted price, I think by law, they have to post their price for every type of test that they conduct. They also have to post, in the case of test and repair, their hourly labor rate, so they can charge pretty much whatever they want, but it's kind of interesting. Take a look at a Pennysaver or Magic Ads. You will see \$10 smog tests, and then there'll be a lot of fine print that is probably two point type that you need a magnifying glass to read, but it means you have to make an appointment, it's only for qualifying vehicles. There's all kinds of disclaimers in it, but you will find numerous examples of those, and I suspect BAR enforcement - at least, I hope they do - is looking at the Magic Ads and the Pennysavers and using that as one of their directives to initiate some enforcement efforts. Anyway, thank you.

CHAIR WEISSER: Thank you. Bud, thanks for raising this

question. It's an interesting one. Roger, you had something you wanted to add?

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MEMBER NICKEY: Just quickly. If you're going to advertise a price for smog check, which you have to do, you should include entire smog check, which may or may not include a timing check, which may or may not include a functional EGR check. I don't think you should advertise a smog check and say, oh, by the way, your vehicle requires an EGR functional, so now I'm going to charge you extra for that, when it's supposed to be part of the test.

Well, you know, what I think we're dealing with CHAIR WEISSER: here is a situation that's better dealt with in the specific instance than in the generic, and what would be pleasing to this member of the Committee is, if you see and I'll extend that to everyone. If you see an activity that you believe is improper and illegal, that you report it to the BAR enforcement people and you also follow up with us to inform us about how the BAR enforcement program was able or not able to bring the case to closure. Now, I know in some enforcement programs, they're not allowed to reveal the specific outcomes of investigations, but they can certainly - you'd be able to tell if they investigated it and if they have concluded the investigation. But, you know, it seems to me that an awful lot of work goes on in programs like this. There's an awful lot of selfregulation that comes about through peer pressure and through peers in the industry ratting out each other, and I encourage that. Yes, Dennis?

MEMBER DECOTA: And not to belabor it, but I mean, the positive part about this dialogue is that maybe BAR in its informational pamphlets to consumers explain their rights as far as the cost of the smog check. I think that is a very positive thing.

CHAIR WEISSER: Dennis, now we know why you're on this

Committee. I think that's an outstanding thing that we'd

like you to consider.

MR. COPPAGE: When they say the ARB webpage was mentioned earlier by you, I believe, Chair. The BAR webpage, while I don't have the specific number of hits, it gets more hits every day than it has the day prior. We have very clear links for consumers on how to prepare for your smog check: what you need to know, what you need to take with you, because an educated consumer is a very empowered consumer. Sometimes that information is there, but you have to go get it. Again, we look at the traffic across our webpage dealing with mailing and we're trying to deal with DMV to put inserts in those kind of things. That is a very, very difficult process and it's very costly, so we try and make the information as readily available to motorists as we possibly can. Again, look at our webpage, like our Smog

Check inspection manual. It changes just about daily with information that comes about through the discourse with the public. There's confusion about this? Hey, let's throw it on the webpage and see if we can clear that up, so that's our best mechanism for sharing that information.

CHAIR WEISSER: Rather than the insert in the one thing every consumer we know will get, is that DMV renewal with that slip in it that tells you. Well -

MR. COPPAGE: That has the direct dollar amount tied to it as well.

CHAIR WEISSER: Okay, and I accept what you're saying, Alan.

I'm just not sure I agree with you. That piece of paper, I think, is the crucial entry point for your program into the consumer's mind. I'm not any sort of expert on what portions of the program you need to mention in that form and not, because that's specialized information, but I have some experience with this, both in dealing with DMV when I was in state government, and also dealing with the utilities when we would force them to include inserts as a regulator. That's a great place for accessing the public, and there are a whole bunch of people who don't have web access who are the least of our - the least educated consumers.

FEMALE: We know.

CHAIR WEISSER: We're throwing this out. It's an issue that I'm

glad you raised it, Dennis. I think we should - Jeffrey, thank you.

MEMBER WILLIAMS: I have an anecdote from a woman who works in my department, knows I'm on this Committee. Asked me for help in picking a Gold Shield station (inaudible). She was test-only and failed and was told about Gold Shield, and I said, well I didn't know the particular stations or anything like that. Her main question was, so how much did the stations in Gold Shield have to pay to be in the program so that only they could do the repairs for me? And I thought, boy, we're miscommunicating something, where our very best stations are perceived by consumers as having bought that right. That was a depressing moment (overlapping).

CHAIR WEISSER: You know, I think that raises a real underlying question - thank you very much, Alan - that I guess I want to put out there on our agenda as something we may want to think about on a strategic level. And the issue to me is, how do you reward the best performing stations? How do you structure a program that provides them with a reward? Best performing in terms of accurate, failure, diagnosis, performance in terms of on the repair side, repairs that last longer than two weeks. How do you structure something where you're in a - we're currently in a situation where there's, you know, too many stations for the business

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that's out there, and maybe there's a way to cull the lowest performing and the poorest acting stations, test and repair and test-only. Something you might want to think about. I'm going to put that in as a study item suggestion.

MR. CARLISLE: You've got it.

CHAIR WEISSER: Okay, ladies and gentlemen, we are for the first time during my tenure, 22 minutes over the bewitching hour.

This will never happen again, I hereby swear and affirm. I am looking desperately for -

MEMBER DECOTA: I motion to return.

MEMBER HISSERICH: Second.

CHAIR WEISSER: I hear, and I hear, so this was by Mr. DeCota, seconded by Mr. Hisserich. Is there any discussion?

Hearing none, the meeting is hereby adjourned. Thank you very much and happy holidays to everybody.

- MEETING ADJOURNED -

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TRANSCRIBER'S CERTIFICATION

This is to certify that I, MATTHEW YATES, transcribed the tape-recorded public hearing of the Bureau of Automotive Repair dated November 22, 2005; that the pages numbered 1 through 235 constitute said transcript; that the same is a complete and accurate transcription of the aforesaid to the best of my ability.

Dated December 2, 2005.

Matthew Yates, Transcriber Foothill Transcription